

ESTTA Tracking number: **ESTTA103331**

Filing date: **10/09/2006**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91125615
Party	Defendant THE UNIVERSITY OF SOUTH CAROLINA  ,
Correspondence Address	JOHN C. MCELWAINE NELSON MULLINS RILEY & SCARBOROUGH, LLP 151 MEETING STREET, SUITE 500 CHARLESTON, SC 29401  john.mcelwaine@nelsonmullins.com
Submission	Brief on Merits for Defendant
Filer's Name	John C. McElwaine
Filer's e-mail	john.mcelwaine@nelsonmullins.com, miriam.pinckney@nelsonmullins.com
Signature	/John C. McElwaine/
Date	10/09/2006
Attachments	Trial Brief Redacted Version.pdf ( 56 pages )(301561 bytes )

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

University of Southern California	)	Opposition No. 91125615
	)	
Opposer,	)	Serial No. 75/358,031
	)	
vs.	)	Mark: SC (Stylized)
	)	
University of South Carolina,	)	Filed: September 16, 1997
	)	
Applicant.	)	Published: May 18, 1999
	)	

---

APPLICANT'S INITIAL TRIAL BRIEF AS DEFENDANT IN THE OPPOSITION AND  
OPENING BRIEF AS PLAINTIFF IN COUNTERCLAIM FOR CANCELLATION

[VERSION WITH CONFIDENTIAL PORTIONS REDACTED]

## TABLE OF CONTENTS

	Page
DESCRIPTION OF THE RECORD .....	iv
A.    OPPOSER’S EVIDENCE.....	iv
B.    APPLICANT’S EVIDENCE .....	v
C.    JOINT EVIDENCE .....	vi
I.    INTRODUCTION .....	1
II.   FACTUAL BACKGROUND .....	3
A.    The State of South Carolina has Long Been Known by the Letters “SC” .....	3
B.    South Carolina has made Significant Use of the Letters “SC” Since 1801.....	4
1.    South Carolina used the Letters “SC” Prior to California .....	4
2.    South Carolina Has the Earliest Evidence of the Letters “SC” in Connection with a Product; Namely, the Freshman Rat Hat.....	4
3.    South Carolina Consistently Used Various Forms of “SC” as a Mark for Athletic Services Since at Least 1898, Which is Years Earlier than California .....	5
5.    South Carolina Adopted an Interlocking “SC” Prior to California’s Adoption of the Athletic Interlock.....	7
C.    South Carolina Extensively Licensed the South Carolina Baseball Logo on Products .....	7
1.    South Carolina has Earned Millions in Revenue from Sales of its Licensed Products and its Services .....	8
D.    As a Result of the Success of the South Carolina Baseball Program, the South Carolina Baseball Logo is Extremely Well-Known .....	9
E.    The Use of the Letters “SC” in Every Relevant Stylization by the University of Southern California is Junior to the Use of the Letters “SC” by the University of South Carolina.....	10
1.    California Has No Evidence of Use of the Letters “SC” Until 1906.....	10
2.    California Has No Evidence of Use of the Baseball Interlock Until the Late 1960s .....	10
3.    California Has No Evidence of Use of the Athletic Interlock Until the 1994-1995 Trojan Gift Collection .....	11
F.    California Primarily Uses the Letters “USC” as a Trademark and Service Mark Because it is More Popular and Accepted.....	11
1.    In the Media and General Parlance, California is Almost Always Referred to as “USC” .....	12
2.    Compared to the Letters “USC”, California has Made <i>De Minimis</i> Use of the Letters “SC” and There are Even Periods of Non-Use of the Letters “SC” in the Catalog Record.....	13
G.    California Entered Into Three Consent Agreements Which are Admissions That There is No Likelihood of Confusion .....	14
1.    The 1981 Consent Agreement Between California and South Carolina .....	14
2.    The 1993 Consent Agreement Between Spelman College and California .....	15
3.    The 1997 Consent Agreement Between California and South Carolina .....	15
4.    There is No Confusion Among “USC”-Branded Goods .....	16
H.    Limitations to California’s “SC” Word Mark Trademark Application .....	16
I.    The Conditions Surrounding Sales of University-Related Merchandise in the College Athletics Market Serves to Avoid Confusion.....	17
1.    Consumers are Aware that There Many Duplicates of University Initials and Thus Exercise Heightened Awareness.....	18
2.    Color Combinations are an Important Differentiating Factor .....	20
a.    South Carolina Employs a Noticeably Different Color Combination than California.....	21

3.	Minor Differences in University Mark Stylizations are an Important Differentiating Factor to Consumer.....	21
4.	University-Related Merchandise is Not an Impulse Purchase .....	23
J.	California’s Merchandise is Sold Primarily to Sophisticated Fans .....	23
1.	California’s Customers Are Wealthy and Well-Educated .....	23
K.	No Products Bearing the South Carolina Baseball Logo are Sold Through Retail Outlets Operated by California.....	24
L.	There Have Been No Instances of Actual Confusion .....	25
1.	There is Sufficient Difference in the Appearance of the South Carolina Baseball Logo to Avoid a Likelihood of Confusion.....	25
2.	The Alleged Confusion Cited by California Is Bogus and Irrelevant.....	25
M.	Numerous Other Schools Use the Letters “SC” in Connection with Educational Services and Related Products .....	26
III.	ARGUMENT .....	29
A.	There Is No Likelihood of Confusion Between the Parties’ Marks.....	29
B.	The DuPont Factors Weigh In Favor of a Finding of No Likelihood of Confusion.....	29
1.	California has Severely Weakened its Trademark Rights in the Letters “SC” by Entering Into Consent Agreements and Allowing Others to Use the Letters “SC” .....	30
2.	The Nature of the Goods Are Different .....	32
a.	Since They Bear Secondary Indicators of Source, the Nature of the Parties’ Respective Clothing Items is Distinct .....	32
b.	California’s Gift Items are Unrelated Goods .....	33
3.	California’s Rights in the Letters “SC” are Extremely Weak.....	34
a.	Third Party Use of the Letters “SC” on University Goods Is Rampant .....	34
b.	The Letters “SC” Used as Initials are Descriptive and are Commonly Used by Third Parties, Including the State of South Carolina.....	35
4.	There Is No Overlap In Customers and Channels of Trade .....	36
5.	The Conditions Surrounding Sales of Collegiate Branded Products Limits Any Likelihood of Confusion.....	37
a.	Consumers Have a Heightened Awareness of Other Elements and are Aware that Universities Commonly Use Initials and that There are Many Duplicates .....	37
i.	South Carolina’s Different Color Combinations is an Important Differentiating Factor.....	38
ii.	South Carolina’s Unique Stylization is Another Important Differentiating Factor to Consumers.....	39
b.	Neither Parties Goods Are Impulse Purchases. ....	39
6.	The Purchasers of Opposer’s and Applicant’s Products Exercise a High Degree of Care and are Highly Sophisticated .....	40
7.	There is a Significant Difference in the Appearance, Connotation and Commercial Impression of the Applicant’s Mark and the Opposer’s “SC” Word Mark, “SC” Athletic Mark and “SC” Baseball Mark.....	41
8.	Fame of the Prior Mark .....	42
9.	There is No Actual Confusion: The Parties Have Used “SC” Concurrently for Decades Without Any Instances of Confusion .....	43
C.	South Carolina Used the South Carolina Baseball Logo on Goods in 1997 .....	45
D.	Balance of Factors Favors a Finding of No Confusion.....	45
IV.	SOUTH CAROLINA’S INITIAL BRIEF IN SUPPORT.....	46
A.	The Board Should Cancel California’s Athletic Interlock Mark.....	46
1.	South Carolina Has Priority Over Use of an Interlocking Block “SC”. ....	46
2.	South Carolina Has Priority Over Any use of the Letters “SC”.....	46

## TABLE OF AUTHORITIES

Page(s)

### Cases

<u>A&amp;H Sportswear, Inc. v. Victoria's Secret Stores, Inc.</u> , 237 F.3d 198, 57 U.S.P.Q.2d 1097 (3d Cir. 2000)	39
<u>Amalgamated Bank v. Amalgamated Trust &amp; Savings Bank</u> , 842 F.2d 1270, 6 U.S.P.Q.2d 1305 (Fed. Cir. 1988)	31
<u>Barre-Nat'l Inc. v. Barr Labs, Inc.</u> , 773 F. Supp. 735, 21 U.S.P.Q.2d 1755 (D.N.J. 1999)	44
<u>Bd. of Supervisors of the La. State Univ. &amp; Agric. &amp; Mech. Coll. v. Smack Apparel Co.</u> , 438 F. Supp. 2d 653 (E.D. La. 2006)	21, 32, 38
<u>Bongrain Int'l (Am.) Corp. v. Delice De France, Inc.</u> , 811 F.2d 1479, 1 U.S.P.Q.2d 1775 (Fed. Cir. 1987)	30
<u>Borg-Warner Chem. Inc. v. Helena Chem. Co.</u> , 225 U.S.P.Q. 222 (T.T.A.B. 1983)	37
<u>Bose Corp. v. QSC Audio Prods.</u> , 293 F.3d 1367, 63 U.S.P.Q.2d 1303 (Fed. Cir. 2002)	43
<u>Bost Bakery, Inc. v. Roland Indus. Inc.</u> , 216 U.S.P.Q. 799 (T.T.A.B. 1983)	34
<u>Brockmeyer v. Hearst Corp.</u> , 248 F. Supp. 2d 281 (S.D.N.Y. 2003)	40
<u>Carefirst of Md., Inc. v. First Care, P.C.</u> , 434 F.3d 263, 77 U.S.P.Q.2d 1577 (4th Cir. 2006)	35, 36
<u>CBS v. Morrow</u> , 708 F.2d 1579, 218 U.S.P.Q. 198 (Fed. Cir. 1983)	41
<u>Champagne Louis Roderer, S.A. v. Delicato Vineyards</u> , 148 F.3d 1373, 47 U.S.P.Q.2d 1459 (Fed. Cir. 1998)	46
<u>Clemson Univ. v. W.R. Grace &amp; Co.</u> , No. 2:86-2055-2, 1991 WL 112319 (D.S.C. 1991)	47
<u>Dynamics Research Corp. v. Langenau Mfg. Co.</u> , 704 F.2d 1575, 217 U.S.P.Q. 649 (Fed. Cir. 1983)	40
<u>E. Remy Martin &amp; Co. v. Shaw-Ross Int'l Imps., Inc.</u> , 756 F.2d 1525, 225 U.S.P.Q. 1131 (11th Cir. 1985)	32, 33
<u>Electronic Data Systems Corp. v. EDSA Micro Corp.</u> , 23 U.S.P.Q.2d 1460 (T.T.A.B. 1992)	33, 40, 44
<u>Entrepreneur Media, Inc. v. Smith</u> , 279 F.3d 1135, 61 U.S.P.Q.2d 1705 (9th Cir. 2002)	44
<u>Fuse, LLC v. Fuse Adver., Inc.</u> , 2006 U.S. Dist. LEXIS 25079 (E.D. Mo. Feb. 15, 2006)	45
<u>Gaylord Bros., Inc. v. Stroebel Prods. Co.</u> , 140 U.S.P.Q. 72 (T.T.A.B. 1963)	47
<u>Gen. Mills, Inc. v. Kellogg Co.</u> , 824 F.2d 622, 3 U.S.P.Q.2d 1442 (8th Cir. 1987)	34
<u>Harlem Wizards v. NBA Props.</u> , 952 F. Supp. 1084 (D.N.J. 1997)	41
<u>Heartsprings, Inc. v. Heartspring, Inc.</u> , 46 U.S.P.Q.2d 1481 (10th Cir. 1998)	37
<u>Hoover Co. v. Royal Appliance Mfg. Co.</u> , 238 F.3d 1357, 57 U.S.P.Q.2d 1720 (Fed. Cir. 2001)	29
<u>In re Broadway Chicken</u> , 38 U.S.P.Q.2d 1559 (T.T.A.B. 1996)	31, 35, 37
<u>In re E.I. duPont de Nemours &amp; Co.</u> , 476 F.2d 1357, 177 U.S.P.Q. 563 (C.C.P.A. 1973)	29, 30, 31, 32, 42
<u>In re Fesco Foods, Inc.</u> , 219 U.S.P.Q. 437 (T.T.A.B. 1983)	37
<u>In re Four Seasons Hotel, Ltd.</u> , 987 F.2d 1565, 26 U.S.P.Q.2d 1071 (Fed. Cir. 1993)	30, 32, 45
<u>In re NAD, Inc.</u> , 754 F.2d 996, 224 U.S.P.Q. 969 (Fed. Cir. 1995)	31
<u>In re Olin</u> , 181 U.S.P.Q. 182 (T.T.A.B. 1973)	32
<u>In re Trackmobile, Inc.</u> , 15 U.S.P.Q.2d 1152 (T.T.A.B. 1990)	36
<u>Jockey Int'l, Inc. v. Mallory &amp; Church Corp.</u> , 25 U.S.P.Q.2d 1233 (T.T.A.B. 1992)	42
<u>Kenner Parker Toys v. Rose Art Indus.</u> , 963 F.2d 350, 22 U.S.P.Q.2d 1453 (Fed. Cir. 1992)	29
<u>Knaack Mfg. Co. v. Rally Accessories, Inc.</u> , 955 F. Supp. 991, 42 U.S.P.Q.2d 1649 (N.D. Ill. 1997)	31
<u>Metro Traffic Control v. Shadow Network</u> , 104 F.3d 336, 41 U.S.P.Q.2d 1369 (Fed. Cir. 1997)	46
<u>Michael Caruso &amp; Co. v. Estefan Enters.</u> , 994 F. Supp. 1454 (S.D. Fla. 1998)	33
<u>Modern Optics, Inc. v. Univis Lens Co.</u> , 234 F.2d 504, 110 U.S.P.Q. 293 (C.C.P.A. 1956)	35
<u>Nautilus Group, Inc. v. Icon Health &amp; Fitness, Inc.</u> , 372 F.3d 1330, 71 U.S.P.Q.2d 1173 (Fed. Cir. 2004)	44
<u>Nike, Inc. v. Just Did It Enter.</u> , 6 F.3d 1225 (7th Cir. 1993)	39

<u>Packard Press, Inc. v. Hewlett-Packard Co.</u> , 227 F.3d 1352, 56 U.S.P.Q.2d 1351 (Fed. Cir. 2000) .....	42
<u>Palm Bay Imps., Inc. v. Veuve Cliquot</u> , 396 F.3d 1369, 73 U.S.P.Q.2d 689 (Fed. Cir. 2005).....	43
<u>Jewelers Vigilance Comm., Inc. v. Ullenberg Corp.</u> , 823 F.2d 490, 2 U.S.P.Q.2d 2021 (Fed. Cir. 1987)47	
<u>Societe Anonyme de La Grande Distillerie v. Julius Wile &amp; Sons</u> , 161 F. Supp. 545, 117 U.S.P.Q. 257 (S.D.N.Y. 1958).....	40
<u>Sports Auth. Mich., Inc. v. PC Auth., Inc.</u> , 2002 T.T.A.B. LEXIS 65, 63 U.S.P.Q.2d 1782 (T.T.A.B. 2002) .....	34, 36
<u>Squirtco v. Tomy Corp.</u> , 697 F.2d 1038, 216 U.S.P.Q. 937 (Fed. Cir. 1983).....	36
<u>Swedish Beer Exp. Co. Aktiebolag v. Canada Dry Corp.</u> , 469 F.2d 1096, 176 U.S.P.Q. 59 (C.C.P.A. 1972) .....	30, 31
<u>Thompson v. Univ. of S.C.</u> , 2006 U.S. Dist. LEXIS 67650 (D.S.C. 2006).....	47
<u>U.S. Conf. of Catholic Bishops v. Media Research Ctr.</u> , 432 F. Supp. 2d 616 (E.D.Va. 2006) .....	35
Statutes	
15 U.S.C. § 1064.....	46
Rules	
Trademark Manual of Examining Procedure § 1203.03.....	32
Trademark Manual of Examining Procedure § 1207.01(d)(iii) .....	34
Treatises	
3 <u>McCarthy on Trademarks and Unfair Competition</u> § 23.26 (4 <sup>th</sup> ed. 2006).....	41
4 <u>McCarthy on Trademarks and Unfair Competition</u> § 24:44 (4 <sup>th</sup> ed. 2006).....	37

## DESCRIPTION OF THE RECORD

### A. OPPOSER’S EVIDENCE

Opposer has made the following evidence of record:

1. Testimony Deposition of Elizabeth A. Kennedy taken December 21, 2005, and Opposer Exhibits 1-15 / Applicant’s Exhibits 1-6;
2. Testimony Deposition of Dan Stimmler taken December 22, 2005, and Opposer Exhibits 16-19 / Applicant’s Exhibits Ex. 7;
3. Testimony Deposition of Kenneth H. Taylor taken March 3, 2006, and Opposer Exhibits 328-251 / Applicant’s Exhibits 23-49;
4. Opposer’s Notice of Reliance No. 1, and Exhibits 20-26;
5. Opposer’s Notice of Reliance No. 2, and Exhibits 27-47;
6. Opposer’s Notice of Reliance No. 3, and Exhibits 48-65;
7. Opposer’s Notice of Reliance No. 4, and Exhibits 66-78;
8. Opposer’s Notice of Reliance No. 5, and Exhibits 79-162;
9. Opposer’s Notice of Reliance No. 6, and Exhibits 163-192;
10. Opposer’s Notice of Reliance No. 7, and Exhibits 193-222;
11. Opposer’s Notice of Reliance No. 8, and Exhibit 223;
12. Opposer’s Notice of Reliance No. 9, and Exhibit 224;
13. Opposer’s Notice of Reliance No. 10, and Exhibits 225-239;
14. Opposer’s Notice of Reliance No. 11, and Exhibits 240-246;
15. Opposer’s Notice of Reliance No. 12, and Exhibits 247;
16. Opposer’s Notice of Reliance No. 13, and Exhibits 248-249;
17. Opposer’s Notice of Reliance No. 14, and Exhibits 250-251;
18. Opposer’s Notice of Reliance No. 15, and Exhibits 252-253;

19. Opposer's Notice of Reliance No. 16, and Exhibits 254-255;
20. Opposer's Notice of Reliance No. 17, and Exhibit 256;
21. Opposer's Notice of Reliance No. 18, and Exhibits 257-276;
22. Opposer's Notice of Reliance No. 19, and Exhibits 277-281;
23. Opposer's Notice of Reliance No. 20, and Exhibits 282-295;
24. Opposer's Notice of Reliance No. 21, and Exhibits 296-297;
25. Opposer's Notice of Reliance No. 22, and Exhibits 371-388;
26. Opposer's Notice of Reliance No. 23, and Exhibits 389-406;
27. Opposer's Notice of Reliance No. 24, and Exhibits 407-418;
28. Opposer's Notice of Reliance No. 25, and Exhibit 419;
29. Opposer's Notice of Reliance No. 26, and Exhibits 420-424;
30. Opposer's Notice of Reliance No. 27, and Exhibits 425-428.

**B. APPLICANT'S EVIDENCE**

Applicant has made the following evidence of record:

1. Testimony Deposition of C. "Kit" Walsh taken March 1, 2006, and Applicant's Exhibits 8-13 / Opposer's Exhibits 298-314;
2. Testimony Deposition of Elizabeth C. West taken March 2, 2006, and Applicant's Exhibits 14-22 / Opposer's Exhibits 314-327;
3. Testimony Deposition of Kenneth M. Corbett taken March 3, 2006, and Applicant's Exhibits 50-87 / Opposer's Exhibits 352-370;
4. Applicant's Notice of Reliance No. 1, and Exhibits 88-89;
5. Applicant's Notice of Reliance No. 2, and Exhibit 90;
6. Applicant's Notice of Reliance No. 3, and Exhibits 91-105;
7. Applicant's Notice of Reliance No. 4, and Exhibits 106-147;
8. Applicant's Notice of Reliance No. 5, and Exhibits 148-156;
9. Applicant's Notice of Reliance No. 6, and Exhibits 157-164;
10. Applicant's Notice of Reliance No. 7, and Exhibits 165-168;
11. Applicant's Notice of Reliance No. 8, and Exhibit 169;
12. Applicant's Notice of Reliance No. 9, and Exhibits 170-171;
13. Applicant's Notice of Reliance No. 10, and Exhibits 172-209;
14. Applicant's Notice of Reliance No. 11, and Exhibit 210;
15. Applicant's Notice of Reliance No. 12, and Exhibits 211-212;
16. Applicant's Notice of Reliance No. 13, and Exhibits 213-214;
17. Applicant's Notice of Reliance No. 14, and Exhibit 215;
18. Applicant's Notice of Reliance No. 15, and Exhibit 216;
19. Applicant's Notice of Reliance No. 16, and Exhibits 217-357;
20. Applicant's Notice of Reliance No. 17, and Exhibits 358-372;
21. Applicant's Notice of Reliance No. 18, and Exhibit 373;
22. Applicant's Notice of Reliance No. 19, and Exhibits 374-380;
23. Applicant's Notice of Reliance No. 20, and Exhibits 381-382;
24. Applicant's Notice of Reliance No. 21, and Exhibits 383-386;
25. Applicant's Notice of Reliance No. 22, and Exhibits 387-391;
26. Applicant's Notice of Reliance No. 23, and Exhibits 392-401;
27. Applicant's Notice of Reliance No. 24, and Exhibit 402;
28. Applicant's Notice of Reliance No. 25, and Exhibits 403-405;
29. Applicant's Notice of Reliance No. 26, and Exhibits 406-425;
30. Applicant's Notice of Reliance No. 27, and Exhibits 426-443;
31. Applicant's Notice of Reliance No. 28, and Exhibits 444-458.

C. JOINT EVIDENCE

Opposer and Applicant have made the parties' Stipulation of Fact that were filed with the Board on December 29, 2005 of record in this case.

## I. INTRODUCTION

There are more than 2700 four year colleges or universities in the United States. Since there are only twenty-six letters in the alphabet, overlap of initials is extremely common. Universities often drop the common “U” for university and adopt the initial representing the state or geographic area. Overlap in this instance is even more common, e.g., O for Ohio State University and O for the University of Oregon and M for University of Michigan and M for University of Minnesota. Universities market these initials as service marks and as trademarks serving as a secondary indicator of source of the university’s educational and athletic services. However, confusion is not rampant.

In this case, the University of Southern California (“California”) has co-existed with the University of South Carolina (“South Carolina”) and the State of South Carolina for more than 125 years without any trademark issues concerning the letters “SC”. South Carolina has used other marks to refer to itself, such as USC or Carolina, as has California (USC and Trojans). However, unlike what has been portrayed by California, South Carolina has consistently used the letters “SC” as a trademark for its educational services, its athletic teams and related products and merchandise. South Carolina never abandoned use of the letters “SC”.

South Carolina and California cooperatively worked with each other concerning the mark USC, entering into two consent agreement recognizing that there was no likelihood of confusion. It was, thus, surprising that California would challenge South Carolina’s application to register a highly stylized version of the letters “SC” that the South Carolina baseball team had adopted in 1997 (the “South Carolina Baseball Logo”) as a throwback version of the letters “SC” that had been used by the team in the 1950s. The South Carolina Baseball Logo contained in the application for Serial No. 75/358,031 appears as follows:



California has based its opposition on the grounds the South Carolina Baseball Logo is confusingly similar to two stylizations of “SC” used by California. These marks appear as follows:



Baseball Interlock



Athletic Interlock

In its Notice of Opposition, California claims ownership of two federal registrations covering clothing. The first is for the letters “SC” in standard character form (U.S. Reg. No. 1,844,953). This registration contains a limitation of its channels of trade to “University controlled outlets.” The second registration is for the stylized letters “SC” which are in the form of the Athletic Interlock (U.S. Reg. No. 2,683,137).

It is disingenuous for California to refer to this as a simple case, although South Carolina asserts that, in light of the applicable case law and the extensive factual record, it makes common sense that California’s opposition should not be sustained. To begin, there is sufficient difference in the stylization of the South Carolina Baseball Logo and either California’s Baseball Interlock or Athletic Interlock such that confusion is not likely.

Moreover, the scope of protection that should be afforded California’s use of the letters “SC” is narrow. The letters “SC” as used by California are descriptive as initials for “Southern California.” The letters “SC” have not been exclusively used by California. They have been used as marks by the State of South Carolina and by its agency the University of South Carolina as well as by at least twenty-seven other universities, including Spelman College, Santa Clara University and Smith College. In fact, California entered into a consent to use agreement with Spelman College, agreeing that there was no likelihood of confusion between Spelman College’s use of the letters “SC” and California’s use of the letters “SC”. This consent agreement is an admission of the narrow scope and weakness of California’s trademark rights in the letters “SC”.

As to the Athletic Interlock, California is not the senior user. California did not begin using this mark until 1994. However, South Carolina established that it began using the letters “SC” in connection

with headwear and clothing in the late 1890s. Moreover, South Carolina adopted a similar “SC” interlock in connection with its baseball program in 1991. The earliest date of use of the letters “SC” that California can argue is sometime after 1906. However, South Carolina was able to produce from its archives an actual Freshman Rat hat from 1899 that prominently bore the letters “SC” on a product distributed to students. South Carolina also introduced into evidence an original 1898 photograph of the South Carolina football team wearing jerseys bearing a stylization of the letters “SC” very similar to the South Carolina Baseball Logo.

As to California’s word mark registration, it is limited to “university authorized channels of trade” for gift items in International Classes 6, 8 and 24. However, for clothing and headwear in International Class 25, the channels of trade are further restricted to “university controlled outlets,” *i.e.*, California’s bookstore. No South Carolina goods have ever been sold by California controlled retail outlets. Moreover, the only authorized outlet for California’s gift items in the record is California’s bookstore.

The consumers of California’s and South Carolina’s licensed products are primarily fans, students, alumni and staff. Further, the conditions surrounding the sales of collegiate branded products to these consumers is such that they are able to distinguish even slight variations in the stylization of initials and identify the proper source of these products. It has been established that these consumers are well-educated and passionately familiar with color combinations, trademarks and other source indicators of the universities. In light of the heightened analysis of collegiate merchandise that such consumers employ, it is not surprising that California cannot cite to a single instance of customer confusion.

In the event that Board finds that there is a likelihood of confusion (South Carolina maintains there is not), South Carolina, and not California, is the senior user of the letters “SC”, and accordingly California’s Athletic Interlock mark must be cancelled. Since South Carolina is the senior user of the letters “SC”, California’s opposition must fail on this ground as well.

## II. FACTUAL BACKGROUND

A. The State of South Carolina has Long Been Known by the Letters “SC”.

South Carolina was the eighth of the original thirteen colonies and became a State on May 23, 1788. Since at least as early as the Revolutionary War and continuously since this time, the State of South Carolina has used the letters "SC" as a mark in connection with its various government services. (Trial Dep. of E. West ("TD-West") 5:8-6:8.) As proof, South Carolina established that the State of South Carolina has used the letters "SC" as a mark and insignia on clothing, uniforms and equipment and that various agencies use the letters "SC" as a mark on signs, internet websites and maps. (TD-West 5:23-6:8; Stipulations of Fact filed with the Board on Dec. 29, 2005 ("Stip. Fact") Stip. Fact ¶¶ 100-107; Applicant's Exhibit ("A-Ex.") 91-95, 97-98, 100, 102, 104.) Additionally, the letters "SC" are the official State Abbreviation assigned to the State of South Carolina by the United States Postal Service and other agencies of the Federal Government. (Stip. Fact ¶ 107; A-Ex. 98.)

B. South Carolina has made Significant Use of the Letters "SC" Since 1801.

The University of South Carolina, an agency of the state of South Carolina, was founded in 1801. (TD-West 6:9-11; A-Ex. 90, p. 5.) The original name of the Institution was "South Carolina College," which was often shortened to "S.C. College" or "SCC." (A-Ex. 90, p. 5; TD-West 6:12-15.)

1. South Carolina used the Letters "SC" Prior to California.

It is undisputed that South Carolina used the letters "SC", and the very similar "SCC", prior to the founding of the University of Southern California. For example, South Carolina entered into evidence a June 1854 Test showing use of "SCC" to refer to "S.C. College." (A-Ex. 14; TD-West 8:16-9:18.) South Carolina also entered into evidence several invitations dating back to the 1880s and 1890s establishing public use of the letters "SC" and "SCC" to third parties for events that were sanctioned by the college. (TD-West 10:13-12:6; A-Ex. 15.)

2. South Carolina Has the Earliest Evidence of the Letters "SC" in Connection with a Product; Namely, the Freshman Rat Hat.

The only pre-1900s evidence adduced by any party bearing use of the letters "SC" in connection with a product was the Freshman Rat Hat produced by South Carolina. The Freshman Rat Hat was a beanie that all South Carolina freshmen were required to wear during their freshman year. (TD-West

7:17-8:7.) Its purpose was to identify them as freshman at the University of South Carolina. (TD-West 7:17-8:7.) This tradition lasted from the late 1800s until the late 1950s or early 1960s. (TD-West 26:2-27:3; A-Ex. 90, p. 8.) As shown by the photographs of an existing 1899 Freshman Rat Hat in the University of South Carolina Archives, the Freshman Rat Hat bore the letters “SC”. (A-Ex. 90, p. 8; A-Ex. 214.)

3. South Carolina Consistently Used Various Forms of “SC” as a Mark for Athletic Services Since at Least 1898, Which is Years Earlier than California.

The earliest alleged evidence of use of the letters “SC” in connection with athletics that California possesses is a year book photograph of a single football player allegedly dated to the year 1904. (Opposer’s Exhibit (“O-Ex.”) 79, p. 2).<sup>1</sup> However, South Carolina has better quality evidence in the form of an original 1898 photograph of the South Carolina Football team showing at least five members of the football team wearing uniforms containing an interlocking “SC”. (A-Ex. 16; TD-West 12:20-13:4.) As further proof of its date and authenticity, this photograph was reproduced and appeared in the 1898 Garnet and Black Yearbook. (Id.)

South Carolina has also placed into evidence a picture of the 1902 South Carolina Football team from the 1902 Garnet and Black Yearbook. (TD-West 13:20-14:10; A-Ex. 17.) This photograph shows use of the same interlock “SC” on the Varsity Football Team’s uniform. (Id.)

South Carolina placed into evidence numerous examples of the letters “SC” used in connection with its educational services, athletics programs or related goods, in almost every decade, establishing that the letters “SC” have been continuously used or, if there were gaps in the yearbook evidence,<sup>2</sup> that

---

<sup>1</sup> As discussed in its Objections to Opposer’s Evidence, South Carolina has challenged the admissibility and reliability of this evidence on several grounds. First, as to relevance, the photograph appears to use the letter “S” within the letter “C” which is would be interpreted as and provides the impression and connotation of the letters “CS”. Second, the statements made in the book allegedly dating the photograph are hearsay within hearsay, cannot be verified, and no foundation has been lain to explain how this unknown author came to conclude the photograph’s date.

<sup>2</sup> Elizabeth West testified that yearbooks were not the entire record of an institution’s uses of its trademarks and symbols and that during gaps in the yearbook record there was nothing to lead her to believe that South Carolina has ceased uses of the letters “SC”. (TD-West 47:6-49:24.) This belief was

South Carolina always continued use of the letters “SC” as shown by the following history: 1890s (A-Exs. 90, p. 8, 107-109, 214); 1900s (A-Exs. 90, p. 7, 110-121); 1920s (A-Exs. 148, 122-124, 149); 1930s (A-Exs. 90, p. 5, 125, 444-449); 1940s (A-Exs. 126, 450-453); 1950s (A-Exs. 127-129, 150); 1960s (A-Exs. 130-140, 154, 156); 1970s (A-Exs. 141, 143-144, 454-456); 1980s (A-Ex. 457-458); 1990s (A-Exs. 88-89, 145-147, 157-159); 2000s (A-Exs. 160-164, 216, p. 14, 381-382.)

South Carolina has never abandoned its use of the letters “SC” as a trademark as evidenced by multiple and continuous uses of the mark since photography was widely utilized. Moreover, the University of South Carolina’s Archivist, Elizabeth West, testified that from her knowledge of University documents and images showing trademark and service mark uses that “the institution [South Carolina] has used the letters “SC” to represent itself since its establishment because it was . . . the official university and official college of the State of South Carolina and is a state agency.” (TD-West 22:4-13.)

4. The South Carolina Baseball Logo Was First Adopted in 1952, Which is Earlier Than California’s Baseball Interlock.

In its Trial Brief, California asserts that its Baseball Interlock was used by California’s Baseball team since 1958. However, the South Carolina Baseball Logo was first applied to a University of South Carolina baseball hat in 1952, as evidenced by the 1952 year book. (A-Ex. 127.) The logo shown in Applicant’s Exhibit 127 is identical to the throwback logo adopted by Coach Tanner in 1997.

After being hired as the new baseball coach, Coach Ray Tanner designed a throwback uniform incorporating the South Carolina Baseball Logo. Pictures of coaches and players are taken for the Baseball Media Guide in the late fall. (Stip. Fact ¶ 45.) The new South Carolina Baseball Logo hats and uniforms would have been first worn by the team, exhibited to the public and used in marketing materials shortly thereafter in late 1996 or early 1997 in preparation for the Spring 1997 collegiate baseball season. (Stip. Fact ¶¶ 46, 48; A-Ex. 157, pp. 10, 12-14, 18-28.) In 1997, the South Carolina Baseball Logo was also adopted by the Women’s softball team. (Stip. Fact ¶ 47; A-Ex. 159.) Therefore, there is uncontroverted evidence that the South Carolina Baseball Logo has been continuously used in connection

---

based upon Ms. West’s review of the records and research that she had conducted in the past. (TD-West 49:25-50:9.)

with entertainment services; namely, exhibitions of live baseball and softball games as shown by marketing materials. (Stip. Fact ¶ 49; A-Exs. 157-164, 381, 382.)

5. South Carolina Adopted an Interlocking “SC” Prior to California’s Adoption of the Athletic Interlock.

South Carolina adopted and has continuously used an interlocking “SC” mark that is virtually identical to the mark that California refers to as its Athletic Interlock. South Carolina adopted this mark in 1991. As shown in the following exhibits, this mark consisted of a block letter “S” interlocking with a block letter “C” in a right descending manner. (A-Ex. 145, p. 3; A-Ex. 160, p. 121; A-Ex. 146, p. 2; A-Ex. 147, p. 2; A-Ex. 157, pp. 41, 43; A-Ex. 206; O-Ex. 12, p. 1.) California admits that it has used the Athletic Interlock mark, U.S. Reg. No. 2,683,137 (the “137 Registration”), only since 1994. (See Opp. Br. at 1; A-Ex. 210.) Therefore, South Carolina has priority over California with respect to any trademark rights based upon California’s Athletic Interlock mark.

C. South Carolina Extensively Licensed the South Carolina Baseball Logo on Products.

South Carolina has entered into a licensing agency agreement with Collegiate Licensing Corporation (“CLC”) covering the South Carolina Baseball Logo, among other of South Carolina’s marks. (Stip. Fact ¶ 51.) The South Carolina Baseball Logo is contained on the official Trademarks Exhibit to the current licensing agreement, as evidenced by the Trademark Exhibit attached to the 2004 CLC Standard Retail Product License Agreement between Twins Enterprise, Inc. and CLC. (A-Ex. 9.) Furthermore, when the mark was first developed it was properly licensed and was included in the catch-all provision of the Standard Retail License Agreement.<sup>3</sup> (A-Ex. 9; TD-Walsh 16:24-17:16.)

Because of their sheer number, South Carolina does not keep old license agreements and approvals. However, the parties have agreed that “a license approval or artwork approval form is

---

<sup>3</sup> This provision states that “in addition to the Indicia shown above [Exhibit B to the Standard Retail Product License Agreement], any indicia adopted hereafter or used or approved for use by UNIVERSITY OF SOUTH CAROLINA shall be deemed to be additions to Indicia as though shown above and shall be subject to the terms and conditions of the Agreement.” (A-Ex. 9.) Thus, upon approval or use by a licensee under this agreement, the South Carolina Baseball Logo was considered Licensed Indicia although it was not displayed on the exhibit as a result of an oversight.

sufficient evidence that a licensee has used [a] licensed mark in connection with products.” (Stip. Fact ¶ 42.)

The South Carolina Baseball Logo was first licensed by Roxxi, Inc. in January 1997. (Stip. Fact ¶ 50; A-Exs. 50-53; TD-Corbett 10:4-14:16.) Since this time, the South Carolina Baseball Logo has been widely and continuously used on hats and clothing; namely, t-shirts, shorts, uniforms, golf shirts, sweatshirts and fleece tops and bottoms. (Stip. Fact ¶ 55.) In addition to the licensees, dates of artwork approvals, and variety of products listed in Stipulation of Facts paragraph 55, and as additional evidence of continuous use, Applicant entered into evidence the following license approval or artwork approval forms showing use of the South Carolina Baseball Logo on a variety of clothing and consumer goods from 1997 to the present. (A-Exs. 172-205; 206-209.)

1. South Carolina has Earned Millions in Revenue from Sales of its Licensed Products and its Services.

Like California, South Carolina does not account for its licensed products revenue based upon which mark is licensed. However, in general, South Carolina has a very successful licensing program. (See Applicant’s Notice of Reliance (“NOR”) No. 17.)

REDACTED

REDACTED

D. As a Result of the Success of the South Carolina Baseball Program, the South Carolina Baseball Logo is Extremely Well-Known

The South Carolina baseball program has seen much success under the South Carolina Baseball Logo trademark. South Carolina was the national runner-up finisher in the 2002 College World Series. (A-Ex. 164, p. 2.) South Carolina has played in the College World Series in 2002, 2003, and 2004. (Id., A-Exs. 173, 382.) South Carolina has won the SEC East baseball title in 1999, 2000, 2002, and 2003. (A-Ex. 164, p. 2.) South Carolina was the SEC Overall Champion in 2000 and 2002. (Id.) As of 2004, South Carolina has made it to the NCAA Regionals four years in a row. (Id.) South Carolina was the second most winning college baseball program in 2004 and, in 2005, became the most winning college baseball program. (Id.)

As a result of such success, the South Carolina Baseball program has garnered much national public attention. In September 2000, when the U.S. Olympic Baseball Team won the gold medal, CNN

---

<sup>4</sup> As discussed, the record as it relates to California's retail products is virtually devoid of any products bearing the letters "SC", except for at California's own bookstore.

Sports Illustrated spoke with South Carolina's Coach Ray Tanner who served as the assistant coach for the winning U.S. Olympic Baseball Team. In the article Coach Tanner credits his being part of the U.S. Olympic Baseball Team to South Carolina's baseball program which, in 2000, won the SEC title and had a player (Kip Bouknight) named as both SEC Athlete of the Year and National Player of the Year. (A-Ex. 171.) Coach Tanner was also named National Coach of the Year in 2000. (Id.) Sarge Frye Field, South Carolina's baseball stadium, was the site of the 2000, 2001 and 2002 NCAA Regional Tournaments and of the 2000, 2002 and 2003 NCAA Super Regionals. (A-Ex. 164, p. 10.) Several of South Carolina's players have been named All-Americans or have won other collegiate awards and received media attention as a result. (A-Ex. 164, p. 6.) In fact, California's own witnesses admit that the University of South Carolina is well-known. (A-Ex. 440, p. 1; A-Ex. 420, p. 2.)

E. The Use of the Letters "SC" in Every Relevant Stylization by the University of Southern California is Junior to the Use of the Letters "SC" by the University of South Carolina.

1. California Has No Evidence of Use of the Letters "SC" Until 1906.

There is no proof in the record that the letters "SC" were ever used by California on products or on uniforms, as a service mark, until, arguably, some time after 1906. California's assertion for this date is based upon an undated photograph of the football team with one member holding a ball upon which it is written "Coast 06 Champions." (O-Ex. 81.1.) However, it is also important to note that the word mark application for "SC" (U.S. Reg. No. 1,844,953 ("the '953 Registration")) does not allege use until 1926. (A-Ex. 169.)

The university monogram claimed by California as its earliest use of the letters "SC" assumes too much. Most importantly, the monogram is not used in connection with any product or service. Not surprisingly, the record and trial testimony are noticeably absent of any evidence or assertion that the university monogram was used as a trademark or service mark. Additionally, the university monogram more properly reads and connotes the letters "CS", rather than "SC". Of further note is that fact that the "University Yell" contained on the same page is for "U! S! C!" and not "S! C!". (O-Ex. 20.2.)

2. California Has No Evidence of Use of the Baseball Interlock Until the Late 1960s.

Although California has asserted 1958 as a date of first use of the Baseball Interlock, there is no reliable evidence that this mark was used by California in connection with its baseball team until, at earliest, 1967.<sup>5</sup> (See Opposer's NOR No. 5; O-Ex. 119.1.) The earliest verifiable date of first use of the Baseball Interlock in the record is 1967. (O-Ex. 119.1.)

3. California Has No Evidence of Use of the Athletic Interlock Until the 1994-1995 Trojan Gift Collection.

The 1993 California football guide asserted to be the best evidence of first use does contain a rendition of the Athletic Interlock, but it is used merely as ornamentation. (O-Ex. 138.1-3.) However, it is more telling that the Athletic Interlock does not yet appear on illustrations of the players or photographs of the players (*id.*) and the 1993-1994 Trojan Gift Collection does not contain any product bearing the Athletic Interlock (O-Exs. 39-40). In fact, Elizabeth Kennedy admitted at trial that the artwork was developed in 1993 but that the Athletic Interlock was not used in commerce until 1994. (TD-Kennedy 64:7-10.)

F. California Primarily Uses the Letters "USC" as a Trademark and Service Mark Because it is More Popular and Accepted.

The University of Southern California's Artwork Guidelines for Licensees (the "USC Manual") states that it is a "comprehensive resource for how to use the university's identifying trademarks and service marks on products and with services." (Stip. Fact ¶ 64; A-Ex. 404.)

In the USC Manual, California explains that it divides its marks into four categories: academic, spirit, athletic and marching band. (A-Ex. 404, p. 8.) The USC Manual states that the letters "USC" are the "primary brand identification for the University of Southern California. . . . It is used more prominently than many of the other marks." (A-Ex. 404, p. 12.) The Athletic Interlock is limited to California's athletic program. (A-Ex. 404, p. 34.) The Baseball Interlock is limited to California's men's

---

<sup>5</sup> Interestingly, the record establishes that South Carolina was the first party to adopt a stylization of the letters "SC" that California refers to as the Baseball Interlock. A 1927 photograph of the South Carolina baseball team shows two players wearing baseball uniforms bearing this mark, which is thirty years prior to California's alleged use. (A-Ex. 149, pp. 1-2.)

varsity baseball program. (A-Ex. 404, p. 36.) California's Athletic Interlock and Baseball Interlock are "restricted" marks and licensed on a "limited basis." (A-Ex. 403, p. 5; A-Ex. 404, p. 33.)

In 1994, California hired Bass Yager & Associates ("Bass Yager") to study California's trademarks "for the purposes of understanding its current graphic identity system." (See generally, A-Ex. 405; specifically A-Ex. 405, p. 3.) To obtain reliable data, Bass Yager interviewed and conducted focus groups of "seven representative USC constituencies: trustees/public affairs, students, administrative/staff, major donors, deans, alumni and faculty." (A-Ex. 405, p. 3.)

The study readily identified that the "SC" marks were secondary and had much less goodwill when compared to the USC mark. Six out of seven of these representative constituencies, when given the question – "If you had to choose one identity to exclusively represent the entire University, which would it be?" – selected the mark "USC." (A-Ex. 405, p. 10.) In fact, five out of six donors felt that letters "SC" were "not representative of the University as a whole." (A-Ex. 405, p. 25.) The administrative and staff focus group thought that use of the letters "SC" should be "disallowed." (A-Ex. 405, p. 22.) The conclusion of the Bass Yager study is inescapable by California: "'USC' was much preferred over 'SC'". (A-Ex. 405, p. 17.)

1. In the Media and General Parlance, California is Almost Always Referred to as "USC".

Although California is sometimes anecdotally referred to by individuals by the letters "SC", a review of the articles and periodicals cited by California establishes that California is more commonly referred to as "USC." As support for its fiction that "SC" is a common spoken nickname of the university, California cites to multiple articles (undoubtedly carefully chosen by counsel) where a few people are allegedly quoted as using the term "SC" to refer to California. (O-Ex. 163-222.) However, a careful review of these articles establishes that California is referred to more commonly in them as "USC" or "the Trojans" than "SC". In fact, one must only look to the titles of the articles to discern the

truth: Nowhere is the term “SC” used to describe California in such titles and “USC” or “Trojans” are the terms most commonly used.<sup>6</sup>

2. Compared to the Letters “USC”, California has Made *De Minimis* Use of the Letters “SC” and There are Even Periods of Non-Use of the Letters “SC” in the Catalog Record.

A sampling of catalogs between the time period of 1976 and 1989 shows products bearing the letters “USC” are at a much greater proportion than those bearing the letters “SC”. With the exception of one or two products bearing the letters “SC” on a few pages in each catalog, virtually every other branded product contains the mark “USC”.

EXHIBIT NO.	CATALOG YEAR	NUMBER OF PAGES WITH “SC” BRANDED PRODUCTS	TOTAL NUMBER OF CATALOG PAGES
A-Ex. 392	1976	2	32
A-Ex. 393	1978	5	24
A-Ex. 394	1979	6	24
A-Ex. 395	1980	2	24
A-Ex. 396	1982	2	28
A-Ex. 397	1984	0	6
A-Ex. 398	1984-1985	1	6
A-Ex. 399	1985-1986	1	16
A-Ex. 400	1986-1987	2	20
A-Ex. 401	1988-1989	2	19

As is apparent from the record, there was a period in 1984 where California ceased use of the letters “SC” in connection with products. Moreover, a review of the catalogs establishes that California failed to use the letters “SC” in connection with headwear and clothing in 1984 and 1985 as well. (A-Ex. 398.)

By examining websites that sell California’s products, the lack of popularity of California’s Baseball Interlock and Athletic Interlock branded products is evident in today’s market. (A-Ex. 59-71.) For example, of the thirty-two California hats available for purchase through Lids.com, none bear the

---

<sup>6</sup> For instance, “Wild ride Ends for Wildcats USC Earns Respect”, “The Trojan War; Giants Sehorn vs. Jets Johnson USC Stars Finally Collide”, “California knocks off Trojans”, “Cal knocks off No. 17 Trojans”, “Trojans Feel Squeeze from Investigations”, “Bruins Regfuse to Lose to Trojans”, “USC’s top-ranked juggernaut appears unstoppable; Abundant talent enables Trojans to overcome loss of offensive guru”, or “Cal will find out how good USC is”. (See Opposer’s NOR Nos. 6 and 7.)

“SC” mark. (A-Ex. 59.) Of the twenty-four California clothing and headwear products available for purchase through Collegegear.com, none bear the letters “SC” alone (they use the Team Trojan mark) and only one product, a hardhat, bears the Athletic Interlock. (A-Ex. 62.) Of the twenty-seven California clothing and headwear products available for purchase through Sportsauthority.com, only three bear the “SC” mark. (A-Ex. 69.)

Additionally, a review of the photographs taken by California’s own investigator (who visited 135 retail stores) shows only four stores sold goods bearing the letters “SC” in relation to California. (TD-Taylor 14:14-17; 85:17-21.) A review of photos from these 4 stores shows approximately seven clothing or headwear products bearing either California’s Athletic or Baseball “SC” mark. (O-Ex. 328-351; A-Ex. 23-49.) A similar review of Mr. Taylor’s evidence shows over 70 clothing or headwear products bearing the South Carolina Baseball Logo. (Id.)

G. California Entered Into Three Consent Agreements Which are Admissions That There is No Likelihood of Confusion.

California has entered into two consent agreements reflecting that the market interface between California and South Carolina’s consumers is such that confusion is unlikely. Furthermore, California has entered into another consent agreement with Spelman College reflecting that other higher education institutions can use stylized version of the letters “SC” without a likelihood of confusion.

1. The 1981 Consent Agreement Between California and South Carolina.

On August 10, 1981, California and South Carolina entered into an agreement (the “1981 Consent Agreement”) regarding each institution’s use of the mark “USC”. (Stip. Fact. ¶ 57; A-Ex. 167.) The 1981 Consent Agreement does not limit itself to any particular design or stylization of the letters “USC.” (A-Ex. 167.) In the 1981 Consent Agreement, the parties represent that “the designation USC by Southern California and South Carolina has not resulted, to the knowledge of either party, in a single instance of actual confusion.” (A-Ex. 167.2.) As a result, California agrees that it “shall not object and hereby consents to the use by South Carolina or its licensees, distributors or other lawful designees of the

designation USC on and in connection with educational and related services as well as consumer products of varying description.” (*Id.*)

2. The 1993 Consent Agreement Between Spelman College and California.

In February 1993, the University of Southern California entered into an Agreement with Spelman College (the “Spelman Consent Agreement”). (Stip. Fact ¶ 58; A-Ex. 168.) In the Spelman Consent Agreement, California agreed not to oppose any of Spelman College’s trademark applications, serial nos. 74/338,417, 74/338,407, 74/338,414 and 74/338,579, to register the letters “SC”. (A-Ex. 168, p. 3, ¶ 2.)

California also agreed that if any of Spelman College’s “SC” trademark applications were refused on the grounds of confusing similarity to the registration resulting from 74/094,681, then California would sign a statement for Spelman College to file with the Patent and Trademark Office saying that in the University of Southern California’s opinion there is no confusing similarity between the two marks. (A-Ex. 168, p. 4, ¶ 5.)

California acknowledged and agreed that “the University of Southern California’s ‘SC’ mark and Spelman College’s ‘SC (and schoolhouse design)’ mark do not currently conflict, and have not resulted in any actual confusion or likelihood of confusion in the past. Neither party foresees development of any such confusion or likelihood of confusion so long as neither party is in violation of this agreement.” (A-Ex. 168, pp. 4-5, ¶ 7.) Notably, there are no further restrictions on use of the marks, limitations of channels of trade, or geographic restrictions.

Lastly, California agreed that it would not challenge or “try to impede Spelman or its licensees from using Spelman’s ‘SC (and schoolhouse design)’ logo on typical college bookstore merchandise.” (A-Ex. 168, p. 4.)

3. The 1997 Consent Agreement Between California and South Carolina.

On June 10, 1996, California filed an application for concurrent use registration for the mark “USC” limited to certain geographical areas for educational and entertainment services. (Stip. Fact ¶ 59; A-Ex. 165, p. 3.) On October 1, 1997, California and South Carolina entered into a Consent Agreement (the “1997 Consent Agreement”) regarding registration and use of the mark “USC” in connection with

each school's services. (Stip. Fact ¶ 60; A-Ex. 166.) The October 1, 1997, Agreement was a settlement of the Concurrent Use Proceeding No. 1089. (Stip. Fact ¶ 61; A-Ex. 165, p. 3.)

The 1997 Consent Agreement recites that neither party is aware of any actual confusion resulting from their concurrent use of the letters USC within their respective territories. (A-Ex. 165, p. 2.) All communications concerning the 1997 Consent Agreement are to be sent in writing. (A-Ex. 166, p. 3.)

On November 3, 1999, "upon careful consideration of the parties' agreement," the Board found that the parties had "established prima facie that concurrent use of the involved marks is not likely to cause confusion, to cause mistake or to deceive." (Stip. Fact ¶ 61; A-Ex. 165, p. 4.)

4. There is No Confusion Among "USC"-Branded Goods.

South Carolina does not deny that its USC-branded products are licensed to many of the same companies with which California has licensing relationships.<sup>7</sup> However, this has not created the slightest level of customer confusion. If there were any confusion, California would have been obligated to inform South Carolina, with respect to the letters "USC". (A-Ex. 166, p.3.) California has never done so. (TD-Kennedy 58:9-22.) Additionally, the record is devoid of any evidence of confusion between the two universities. To the contrary, California and South Carolina have entered into two consent agreements concerning the letters "USC" restating that neither party believes that there is a likelihood of confusion. (Stip. Fact ¶¶ 57, 59-61; A-Exs. 165-66, 167.)

H. Limitations to California's "SC" Word Mark Trademark Application.

On September 5, 1990, the University of Southern California filed an intent to use trademark application for the mark "SC" used in connection with a variety of fan-related goods. (Stip. Fact ¶ 65; A-Ex. 169.) The fan-related nature of the goods contained in the application is evident as the application was originally restricted in its channels of trade to "goods being offered and sold to persons desiring to associate themselves with the University of Southern California. (*Id.*) This application was assigned Serial No. 74/094,681, which has matured into the '953 Registration." (Stip. Fact ¶¶ 66, 72; A-Ex. 169.)

---

<sup>7</sup> However, as discussed, *infra* at Section J, South Carolina does not agree that there is an overlap in channels of trade between California's "SC" branded products and products bearing the South Carolina Baseball Logo.

On January 29, 1991, the U.S. Patent and Trademark Office sent an office action refusing the application on the basis of a likelihood of confusion with the mark “SC” shown in U.S. Reg. No. 1,146,441. (Stip. Fact ¶ 67; A-Ex. 169.) In order to get around this rejection, on July 29, 1991, counsel for California filed a response to the office action and amended the identification of goods limiting all goods identified in the application to those “*goods being offered and sold to persons through University authorized channels of trade*” [emphasis added.] (Stip. Fact ¶ 68; A-Ex. 169.)

Even after this amendment, the examining attorney still had concerns that there would be a likelihood of confusion in International Class 25 for clothing. In order to alleviate these concerns California narrowed the restriction of channels of trade for International Class 25 to only retail outlets that California *controlled*. (Stip. Fact ¶ 69; A-Ex. 169.) Based upon this amendment, the examining attorney noted, “the section 2(d) refusal is hereby withdrawn.” (Stip. Fact ¶ 70.)

I. The Conditions Surrounding Sales of University-Related Merchandise in the College Athletics Market Serves to Avoid Confusion.

South Carolina established that the conditions surrounding the sale of collegiate merchandise coincide with a high degree of care and analysis on the part of consumers and that there are other factors in the collegiate merchandise market that serve to avoid any likelihood of confusion. On this topic, South Carolina introduced testimony of Christopher “Kit” Walsh, who is the Senior Vice President for Marketing at CLC. CLC is the largest licensing and marketing agent in the field of university and inter-collegiate athletics. (TD-Walsh 9:9-10:24.) As the Senior Vice President of Marketing, Mr. Walsh oversees and manages the entire licensing process between universities and product manufacturers and product issues “in the retail marketplace in an attempt to grow the business for collegiate-licensed products in the marketplace.” (TD-Walsh 11:16-12:1.)

Mr. Walsh was unequivocal in his testimony that South Carolina’s fans and other schools fans have a high level of familiarity with (a) their university’s color combinations, (b) their university’s athletic conference, (c) their university’s rivals, and (d) their university’s uniform styles. (TD-Walsh 25:15-27:7.) Mr. Walsh stated that it was his experience that “consumers of collegiate products have a

high level of care when purchasing products, particularly compared to my understanding of how people buy other -- other items.” (TD-Walsh 27:9-16.) When discussing the prevalence of multiple university marks on products, Mr. Walsh aptly summarized the strength of collegiate consumers’ passion for their university’s marks:

I think that the affinity that a consumer has for college and universities is deeper than just about anything else I know in the marketplace, and because of that affinity, they want -- they want to go as deep as possible in terms of their -- their buying of the school's marks as they are involved in either the institution or its athletics programs. . . .

(TD-Walsh 19:4-9.) This high degree of familiarity and affinity is used by the consumers of collegiate merchandise to differentiate one university’s products from another and particular teams or sports within the same university. (TD-Walsh 19:15-18.)

California attempts to mischaracterize Mr. Walsh’s testimony concerning the conditions of sales as dealing with the sophistication of fans. Mr. Walsh’s direct examination testimony was not on the subject of consumer sophistication, but on the degree of care, consumer analysis and other market factors that limit confusion.<sup>8</sup> Moreover, the section of Mr. Walsh’s trial deposition for which California asserts stands for the proposition that fans are not sophisticated assumes, incorrectly, that the term “retail buyer” meant “fans.” (TD-Walsh 77:15-78:3.) Counsel for California asked, in general, whether “different stores have different levels of sophistication of buyers” in general. (TD-Walsh 77:17-18.) Counsel was not referring to fans, or even students, faculty, staff or alumni, but instead “retail buyers.” (*Id.*) Mr. Walsh, of course, answered truthfully that some retail buyers in Walmart, Bed, Bath & Beyond and J.C. Penny are less sophisticated. (TD-Walsh 77:20-78:3.) California’s arguments on Mr. Walsh’s testimony are disingenuous and misleading.

1. Consumers are Aware that There Many Duplicates of University Initials and Thus Exercise Heightened Awareness.

---

<sup>8</sup> In order for any witness to be knowledgeable about the sophistication of a certain product’s consumers, it would be necessary to know characteristics such as the consumers, education level and socio-economic status. Such information is known about California’s consumers, but it was not elicited through Mr. Walsh. *See Applicant’s Brief*, Section II.I.

There are over 2700 four year colleges or universities in the United States. (A-Ex. 373.) It is common for universities and profession sports teams to use their initials, such as “UVA” for the University of Virginia or “NY” for the New York Yankees. There are only twenty-six letters in the alphabet. As a result, it is inevitable that there will be numerous universities, colleges and teams that use the same initials as trademarks or service marks.

For instance, a sampling found the following registrations owned by universities (or professional sports teams) for letters co-existing on the Principal Register:

Letter	Exhibit Nos.	Registrants
A	A-Exs. 217-224	University of Arkansas; University of Akron University of Arizona; San Diego State University
B	A-Exs. 225-227	Benedictine College; Bucknell University; Bradley University
C	A-Exs. 228-236	Carroll College; Columbia College; State University of New York College at Cortland; Creighton University; California State University, Chico; University of South Carolina; Central Michigan University; University of Cincinnati
D	A-Exs. 237-245	Duke University; Dartmouth College; Duquesne University Dartmouth College; Drake University; Detroit Tigers, Inc.
F	A-Exs. 246-249	University of Florida; Ferris State University; Furman University
G	A-Exs. 250-255	University of Georgia; Green Bay Packers
H	A-Exs. 256-260	Hampshire College; Hastings College; Howard University; Heald Colleges of California; University of Hawaii
I	A-Exs. 261-263	University of Iowa; University of Illinois; Iowa State University
K	A-Exs. 264-267	Kent State University; University of Kentucky; Knox College; Kansas University
L	A-Exs. 268-269	LaSalle University; Lehigh University
M	A-Exs. 270-279	Millersville University; University of Minnesota; McNeese State University; University of Maryland; Monterey College of Law University of Minnesota; University of Michigan; Millersville University; Memphis State University
MSU	A-Exs. 280-282	Michigan State University; Mississippi State University
N	A-Exs. 283-290	Northeastern University; Northwestern University; University of Nebraska
NY	A-Exs. 291-296	New York Yankees; New York Mets
O	A-Exs. 297-301	Ohio State University; Oklahoma State University; University of Oregon
R	A-Exs. 302-307	Radford University; Ripon University; Rutgers University; William Marsh Rice University; Gonzaga University; Rockhurst University
S	A-Exs. 308-314	Shawnee State University; University of Southern California; Summit University; Stanford University; Stevens Institute of Technology; Syracuse University; Michigan State University
T	A-Exs. 315-319	Texas A&M University; Louisiana Tech University; University of Texas; Temple University; University of Tennessee
U	A-Exs. 320-321	University of Miami; University of South Florida

Letter	Exhibit Nos.	Registrants
UM	A-Exs. 322-323	University of Minnesota; University of Maryland
V	A-Exs. 324-335	Vanderbilt University; Villanova University; University of Virginia
W	A-Exs. 336-354	Walsh College; Wittenberg College; Weber State University; Wilmington College; Webster University; Wright State University; University of Wisconsin; Wilkes University; University of Washington; Wayne State University; Nebraska Wesleyan University; Western Michigan University; Washington State University
Y	A-Exs. 355-357	Yale University; Brigham Young University; Youngstown State University

These registrations demonstrate a crowded field of letters and letter combinations for universities and professional sports teams. As a result of the crowded and often duplicative field of such initials, consumers engage in a heightened examination of the universities' marks' stylizations, fonts, designs, colors, geographic indicators and other indicators of source on the products. (TD-Walsh 25:15-27:16.)<sup>9</sup> In fact, there are stores, such as Hat World and Lids which have built their entire store on permitting consumers to easily and efficiently access their team's products. (TD-Walsh 28:2-16.)

California's own Graphic Identity Program indicates an understanding that consumers engage in examination of stylization, font, design, colors and other indicators of source when choosing products representing a school or team. (A-Ex. 403, p. 1.)

## 2. Color Combinations are an Important Differentiating Factor.

To distinguish one university's goods from another's, consumers analyze and compare the color combination of the products and the marks which those products bear. (TD-Walsh 18:5-15.) Consumers are so familiar with colors that they can distinguish between variations in shades of colors. (TD-Walsh 18:16-20.) In fact, California, jointly with Louisiana State University, Ohio State University and the University of Oklahoma, recently filed a lawsuit against Smack Apparel Company ("Smack Apparel") alleging that Smack Apparel violated Section 43(a) of the Lanham Act "by selling shirts bearing the distinctive two colors used by" California, along with other words or symbols that could be associated with California. Bd. of Supervisors of the La. State Univ. & Agric. & Mech. Coll. v. Smack Apparel Co.,

---

<sup>9</sup> By way of example, Mr. Walsh was able to accurately describe which university was the source of products that did not bear the full name of the university by viewing the stylization of the initial on the product, the color combination and other indicators of source. (See TD-Walsh 40:16-46:6; A-Ex. 13.)

438 F. Supp. 2d 653, 655 (E.D. La. 2006). In an opinion in this case, the court summarized California's position stating,

over a century ago each university adopted a particular color combination as its school colors (purple and gold for LSU, crimson and crème for OU, scarlet and gray for OSU and cardinal and gold for USC. . . . Plaintiffs describe their marks as 'color schemes in the context of merchandise that makes reference to the Plaintiff Universities or their accomplishments and is directed to their fans and other interested consumers.'

Smack Apparel, 438 F. Supp. 2d at, 655-56. It is important to note that California, referred to as USC and not "SC" by the court, did not claim infringement based only upon use of the color cardinal. Recognizing that both OU (crimson) and OSU (scarlet) used a color substantially similar to cardinal, California properly limited its position in this litigation to its color combinations, of which collegiate fans and consumers are discerning enough to detect and distinguish slight variations. Indeed, California's Graphic Identity Program demonstrates the importance of color combinations in distinguishing one university's products from another:

The USC Logo and various other "marks" have been specifically designed to convey the unique qualities of the University of Southern California. *Along with the official university colors and recommended typefaces, these graphic elements create awareness, recognition and loyalty in the USC brand.* [emphasis added.] (A-Ex. 403, p. 2.)

a. South Carolina Employs a Noticeably Different Color Combination than California.

The official color combination used by South Carolina is garnet and black. (Stip. Fact ¶ 87.) The official colors of California are cardinal and gold. (Stip. Fact ¶ 94.) Moreover, although California argues that the shades of red employed by both schools are similar, every witness that was asked testified that the shade of red used by California was noticeably different than that used by South Carolina. (TD-Walsh 17:17-18:4; TD-Corbett 19:7-20; TD-Taylor 85:4-16.) Despite California's arguments concerning the Pantone system, the Board need only to look at the exhibits produced in this matter to discern that South Carolina uses a darker red and California's is brighter and more orange. (Compare A-Ex. 3 with A-Ex. 2.)

3. Minor Differences in University Mark Stylizations are an Important Differentiating Factor to Consumer.

Since initials are often used by universities on their products, consumers engage in a heightened analysis of such marks on these products and can notice minor differences in the stylizations of such letters. For instance, Ken Taylor the private investigator hired by California to photograph collegiate merchandise, was able to easily determine the source of products bearing dozens of different stylized university initials or marks. With respect to Applicant's Exhibit 27, Mr. Taylor was readily able to distinguish that the hat bearing the letter stylized "D" was for Duke, the hat bearing the stylized "S" was for North Carolina State University and that the hat bearing the barefoot footprint was for the University of North Carolina. (TD-Taylor 64:2-15; A-Ex. 27; see also TD-Taylor 67:25-68:8; A-Ex. 31.) Mr. Taylor analyzed the stylizations and was able to discern the correct source of the products without a single mistake. Perhaps most illustrative, Mr. Taylor was able to identify that a hat bearing the letters "USC" was a South Carolina hat. When asked how he was able to recognize it, he answered that he remembered the logo. (TD-Taylor 74:23-75:1.)

Similarly, Mr. Walsh was able to distinguish between the stylized "A" used by the University of Arizona and the stylized "A" used by the University of Arkansas. (TD-Walsh 40:24-41:21; A-Ex. 13.) Likewise, he could distinguish the letter "C" being used by both Clemson University and the University of Cincinnati, the letter "M" being used by the University of Minnesota and the University of Michigan, the letter "O" being used by the University of Oregon and Ohio State University, the letter "S" being used by Michigan State University and Stanford University, and the letter "V" being used by the University of Virginia and Vanderbilt University. (TD-Walsh 41:22-46:6; A-Ex. 13.) Mr. Walsh testified that he was able to distinguish the marks of different universities utilizing the same initials because of familiarization with different letter stylization used by universities and differences in color combinations. (TD-Walsh 41:5-11; 41:18-21; 42:22-25; 43:18-19; 44:4-5; 44:12-13; 45:2-3; 45:7-8; 45:19-22; 46:5-6.)

The USC Manual discusses the importance of letter stylization in its section on "Typography":

Typography plays an important role in establishing an identity for the university. The *typefaces* and other visual elements you use *have the ability to build the brand equity in the institution* when used correctly and consistently. [emphasis added.] (A-Ex. 404, p. 43.)

4. University-Related Merchandise is Not an Impulse Purchase.

California produced no direct evidence that either its goods or South Carolina's goods were impulse purchases. The average consumer of California's "USC" branded merchandise spends \$50.00 in the Trojan Bookstore. (A-Ex. 431, p. 2.) Similarly, California's licensing director stated that clothing ranged "from \$20 generally for caps and T-shirts to upwards of a hundred dollars for such items as high-end sweatshirts and above that for things like jackets and outerwear, leather goods, that kind of thing." (TD-Kennedy 33:3-9.) Team Trojan merchandise is aimed at an even "higher demographic." (TD-Stimmler 25:10-15.)

Moreover, the evidence of record establishes that hats, t-shirts, sweatshirts bearing the South Carolina's mark, including the South Carolina Baseball Logo, retail for \$15.00 - \$88.50. A review of South Carolina Baseball Logo hats for sale at [www.teamstore.com](http://www.teamstore.com) shows retail sales prices of \$15.99 – 19.99. (A-Ex. 63.) A review of the 2003 Jewelry Warehouse catalog shows a sweatshirt for sale at a retail price of \$88.50. (A-Ex. 216, p. 3.) Other non-clothing South Carolina products retail for up to \$199.00. (Id.)

J. California's Merchandise is Sold Primarily to Sophisticated Fans.

Without question the customers of California and South Carolina's products are fans, students, alumni and faculty. (TD-Stimmler 51:22-52:1; TD-Corbett 39:20-40:5; TD-Walsh 24:8-13.) California's own marketing materials state, "The University of Southern California has one of the most attractive groups of Alumni, Students and Fans to Market to." (A-Ex. 387, p. 1.)

1. California's Customers Are Wealthy and Well-Educated.

California agreed that its customers were alumni, students, faculty, staff and fans (including twenty percent who are hardcore fans). (TD-Stimmler 34:17-25.) California has studied the demographics of its fans establishing that they are a sophisticated group. California's fans are described as having "high income levels" and as "wealthy." (A-Ex. 387, p. 1; A-Ex. 389, p. 1.) Thirty percent of California's fans have household incomes of greater than \$100,000, 23% are more likely than the average Los Angeles resident to have household incomes of over \$250,000, and 23% are more likely to have a

house valued over \$1 million dollars. (A-Ex. 387, p. 1.) Likewise, California describes its fans as “highly educated.” (A-Ex. 391, p. 1.) California’s fans are described as being “26% more likely to be college graduates” and “44% more likely to have a post graduate degree.” (A-Ex. 387, p. 1.)

Notably, California can hardly dispute that its faculty are well-educated and compensated at a high level. California is the largest private employer in the city of Los Angeles with 3800 faculty and 6700 staff. (A-Ex. 387, p. 1.)

**K. No Products Bearing the South Carolina Baseball Logo are Sold Through Retail Outlets Operated by California.**

The channels of trade for South Carolina’s products are different than those used by California. To begin, there are no South Carolina products offered for sale from retail outlets operated by California. (Stip. Facts ¶¶78-79; A-Exs. 438-439.)

In fact, South Carolina’s products bearing the South Carolina Baseball Logo do not come close to overlapping with any clothing products sold by California. Kit Walsh testified he did not believe that South Carolina’s products bearing the South Carolina Baseball Logo overlapped with California’s products. (TD-Walsh 32:14-18.) Furthermore, this fact was established by California’s own investigator who admitted on cross-examination that of the 135 stores that he visited that he was able to provide only one alleged example of products bearing the South Carolina Baseball Logo being sold along side of products bearing either California’s Athletic Interlock or Baseball Interlock. (TD-Taylor 56:5-16.) Additionally, the one alleged example California’s investigator found of products bearing the South Carolina Baseball Logo being sold along side of products bearing either California’s Athletic Interlock or Baseball Interlock was of California’s Athletic Interlock on the back of a hat, out of view of customers. (Id.) When questioned further about this one alleged example, California’s investigator indicates that he has a photograph of the front of the hat but does not have a photograph of the back of the hat.<sup>10</sup> (TD-Taylor 56:18-57:1.)

---

<sup>10</sup> As discussed in Applicant’s Objection to Opposer’s Evidence, pictures of the hat comprising Opposer’s Exhibits 350 and 351 should not be admitted as they had been in the possession of the Opposer since

The reason that the products do not overlap in channels of trade is that South Carolina's products bearing the South Carolina Baseball Logo are primarily distributed regionally, i.e., in the State of South Carolina and surrounding metropolitan areas in North Carolina and Georgia. (TD-Walsh 28:18-29:12.) This was also established by the limited geographic areas covered by California's investigator. (TD-Taylor 13:22-14:9.)

L. There Have Been No Instances of Actual Confusion.

Consumers easily recognize the differences between the South Carolina Baseball Logo and California's uses of the letters "SC". Ken Corbett, licensing director for South Carolina testified that there have been no instances of confusion. (TD-Corbett 90:17-21). Kit Walsh, Senior Vice President for Marketing at CLC testified that he was not aware of any confusion. (TD-Walsh 31:2-5.)

1. There is Sufficient Difference in the Appearance of the South Carolina Baseball Logo to Avoid a Likelihood of Confusion.

There is no similarity in the fonts and style of the South Carolina Baseball Logo and California's Athletic Interlock or Baseball Interlock. The South Carolina Baseball Logo consists of a non-block letter, old-time script reminiscent of the fonts used by baseball teams such as the New York Yankees. The "C" is not completely overlapping the "S", with the upper portion of the "C" behind the "S" and the lower portion of the "C" in front of the "S". The Athletic Interlock consists of a plain block letter "S" and a plain block letter "C" linked as chain with the "C" in a right descending position. The Baseball Interlock consists of a block letter "S" and "C". The letters are not superimposed, so that neither the "S" nor the "C" appears to be in the foreground or background. Instead it is a two dimensional design.

California's own witness, Dan Stimmler, stated that he did not believe that the Athletic Interlock was "similar" in its appearance to the South Carolina Baseball Logo. (A-Ex. 441-442.) He also testified that he did not personally believe that there "was any confusing similarity" between the South Carolina Baseball Logo and California's Athletic Interlock. (TD-Stimmler 32:8-22.)

2. The Alleged Confusion Cited by California Is Bogus and Irrelevant.

---

November 16, 2005, and were not produced to the Applicant until the date of Mr. Taylor's Trial Deposition on March 3, 2006.

California argues that there are several instances of retailer confusion based upon alleged misidentified products for sale on the Internet. However, in none of these cases was there ever any mistake made concerning the South Carolina Baseball Mark and the Athletic Interlock or Baseball Interlock. In fact, these are not instances of retailer confusion but rather they are computer glitches, which were eventually removed. (TD-Corbett 40:16-42:24; A-Exs. 70-71.)

The first example was a t-shirt bearing the words “Trojans” in a license plate that was listed as a University of South Carolina t-shirt by Starstruck. (O-Ex. 4.1.) This is not evidence of confusion of the South Carolina Baseball Mark and the Athletic Interlock or Baseball Interlock.

The second example was multiple copies of the same digital photographs of earrings, pendants and charms containing an interlocking “SC” listed as “South Carolina Gamecock” products. (O-Exs. 6, 7, 8, 9, 10, 11.) The repetition of the same text and photographs is the result of multiple websites utilizing the same few back-end fulfillment companies for Internet retailers. (TD-Walsh 20:9-21:2.) Again, this is not evidence of confusion of the South Carolina Baseball Mark and the Athletic Interlock or Baseball Interlock. Instead, it shows the mark “South Carolina Gamecocks” linked with interlocking “SC” letters. No inference of confusion can be asserted. No witness for California could explain how the web content was created. (TD-Kennedy 77:12-18; 79:15-18.) Furthermore, Ms. Kennedy, the Licensing Director for California, was unaware of any confusion or complaints caused by these web pages. (TD- Kennedy 80:15-18.) In fact, she agreed that it was possible that this was caused by computer glitch. (TD-Kennedy 80:19-23.)

California’s third example is a South Carolina hat that bears the format of the letters “SC” used by the South Carolina Baseball team from 1991 to 1997. (See A-Ex. 145, p. 3; A-Ex. 160, p. 121; A-Ex. 146, p. 2; A-Ex. 147, p. 2; A-Ex. 157, pp. 41, 43 (showing use of this mark).) As this use was earlier than California’s use of the Athletic Interlock (adopted in 1994), this is not an example of confusion or mistake.

- M. Numerous Other Schools Use the Letters “SC” in Connection with Educational Services and Related Products.

The letters “SC”, as used by California, represent the initials for “Southern California.” Ms. Kennedy testified that she was aware of use of the letter “SC” by the University of Southern Colorado, Santa Clara University and Smith College. (A-Ex. 421, pp. 1-3.)

However, this list is far from complete. Numerous other schools use the letters “SC” in connection with educational services at the college level, college athletic teams and exhibitions and related products, including: Springfield College; Stockton College; Stonehill College; Sheridan College; Simpson College; Smith College; Southeastern University; Southwestern College; Benedictine University - Springfield College; Sacramento City College; Saddleback College; St. Catherine College; St. Cloud State University; Shasta College; Snow College; and Salem College. (A-Ex. 72-87.) In fact, some of these institutions even use similar styles and/or colors for the letters “SC” as California’s Athletic Interlock or Baseball Interlock. (Id.)

Each one of these schools uses marks containing the letters “SC” in a format substantially similar in appearance to either the Athletic Interlock or Baseball Interlock. Specifically, the Sacramento City College Panthers use marks that are virtually identical in style and color to both California’s Athletic and Baseball Interlock marks. (A-Ex. 81.) Also, Springfield College (Benedictine University) uses a format of the letters “SC” identical to the Athletic Interlock in connection with its baseball team. (A-Ex. 80.) Additionally, pages four through thirty of the 2005 Baseball Media Guide contains a picture of every coach and player standing next to a base bearing the letters “SC” in a format virtually identical to the Baseball Interlock. (A-Ex. 80, pp. 4-30.)

Springfield College uses a block “S” and right descending “C” that are very similar but not interlocked. (A-Ex. 72.) Stockton College uses a similar format of the right descending interlocking “S” and “C” but not in a block format. (A-Ex. 73.) Stonehill College uses a block interlock “SC” in connection with its baseball program that is virtually identical to the Athletic Interlock. (A-Ex. 74.) Sheridan College uses a right descending interlocking “SC” in connection with its educational services and on its athletic uniforms. (A-Ex. 75.) Moreover, Sheridan College refers to itself as “SC”. (Id.)

Simpson College uses a right descending version of the letters “SC” in connection with its baseball program as shown by the Baseball Media Guide, introduced into evidence. (A-Ex. 76.) Smith College uses a right descending interlocking “SC” in connection with its basketball and lacrosse teams. (A-Ex. 77.) Southeastern University uses a block “SC” on the office website for their athletic department. (A-Ex. 78.) Southwestern College uses a right descending interlocking format of the letters “SC” in connection with its football and softball teams. (A-Ex. 79.) Although difficult to see on the evidence introduced, Saddleback College uses the same color scheme as California and uses the letters “SC” on their cheerleading uniform sweaters. (A-Ex. 82.) St. Catherine College uses the letters “SC” in a right descending and interlocking format on its baseball uniforms. (A-Ex. 83.) St. Cloud State University uses the letters “SC” in a right descending format on its baseball uniforms. (A-Ex. 84.) Shasta College uses a right descending interlocking format of the block letters “SC” in connection with its track and baseball teams. (A-Ex. 85.) Snow College uses a format of the letters “SC” that is virtually identical to the Athletic Interlock. (A-Ex. 86.) This mark is used in connection with marketing Snow College’s education services and its full assortment of athletic teams. (Id.) Salem College uses a block interlocking “SC” that is very similar to the Athletic Interlock in connection with its soccer program. (A-Ex. 87.)

The Opposer has attempted to discount Applicant’s evidence of other schools’ uses of the letters “SC” by indicating that no evidence has been presented by Applicant regarding sales of merchandise by these other schools. However, as evidenced by the schools’ websites, these “SC” marks are unquestionably used in the marketing of the respective universities’ educational and athletic entertainment services. Moreover, it defies logic to argue that these educational institutions created marks for their educational services and athletic teams but have not used these marks in connection with university-related merchandise. For instance, South Carolina submitted evidence that Springfield College operated an online retail store selling “SC” branded clothing and headwear. (A-Ex. 72.)

Perhaps the largest and most significant example of third-party use, is Santa Clara University (“Santa Clara”). Santa Clara has adopted and used for years a version of the letters “SC” which consist of block letters in a right ascending format:



(See A-Ex. 13, p. 1.) In fact, Santa Clara uses an “SC” interlock that is much more similar than the “SC” design comprising the South Carolina Baseball Logo. As shown by Applicant’s Exhibit 13, products bearing Santa Clara’s “SC” interlock are licensed by CLC and sold at retail. (TD-Walsh 85:6-8.) Moreover, Santa Clara and California have played baseball games against each other. (A-Ex. 402.)

### III. ARGUMENT

#### A. There Is No Likelihood of Confusion Between the Parties’ Marks.

The test applied by the Board to determine whether a likelihood of confusion exists does not focus on the abstract. Rather, the test evaluates objective evidence to determine whether marks, when used in the marketplace, are likely to confuse the purchasing public about the source of the products. Kenner Parker Toys v. Rose Art Indus., 963 F.2d 350, 352, 22 U.S.P.Q.2d 1453 (Fed. Cir. 1992). The opposer, California, has the burden of establishing that likelihood of confusion exists through sufficient evidence, and that the applicant does not have the right to register its mark. Hoover Co. v. Royal Appliance Mfg. Co., 238 F.3d 1357, 1360-61, 57 U.S.P.Q.2d 1720 (Fed. Cir. 2001) (citations omitted). California has not met its heavy burden of proving any likelihood of confusion here. Therefore, California’s opposition should not be allowed to stand.

#### B. The DuPont Factors Weigh In Favor of a Finding of No Likelihood of Confusion.

There are multiple factors set forth in the case of In re E.I. duPont de Nemours & Co., 476 F.2d 1357, 177 U.S.P.Q. 563 (C.C.P.A. 1973) which will guide the Board in its determination of a likelihood of confusion. The Board may give any factor more weight than others in conducting its analysis.

DuPont, 476 F.2d at 1361. An analysis of the applicable factors demonstrates that there is no likelihood of confusion.

1. California has Severely Weakened its Trademark Rights in the Letters “SC” by Entering Into Consent Agreements and Allowing Others to Use the Letters “SC”.

Any trademark rights that California may have in the letters “SC” have been gutted by its entry into three consent agreement concerning the letters “SC” and “USC”. A consent agreement – let alone three consent agreements – is such a strong indicator of lack of confusion that, “[i]n the absence of contrary evidence, a consent agreement itself may be evidence that there is no likelihood of confusion.” In re Four Seasons Hotel, Ltd., 987 F.2d 1565, 1569, 26 U.S.P.Q.2d 1071 (Fed. Cir. 1993) (citing Bongrain Int’l (Am.) Corp. v. Delice De France, Inc., 811 F.2d 1479, 1484-85, 1 U.S.P.Q.2d 1775 (Fed. Cir. 1987)).

California entered into two consent agreements with South Carolina that expressly state that confusion is unlikely between the parties’ marks. (See, supra, at Section II. G; A-Exs. 166-167.) The 1981 Consent Agreement relates to the parties’ use of an extremely similar mark in connection with consumer products of varying descriptions and educational and related services. (A-Ex. 167; Stip. Fact ¶ 57.) Indeed, the agreements are not limited to certain stylizations, and thus, the only difference between that mark and the “SC” marks at issue here is the use of the initial “U” for the generic “university” term. Courts have allowed consent agreements to be asserted against a party when the marks are likewise very similar, but not identical. See, e.g., Swedish Beer Exp. Co. Aktiebolag v. Canada Dry Corp., 469 F.2d 1096, 1097-98, 176 U.S.P.Q. 59 (C.C.P.A. 1972).

Additionally, the 1981 Consent Agreement avers that there has not been a “single instance of actual confusion” between the parties use of the USC mark (A-Ex. 167.2), a factor that the Federal Circuit routinely finds to be highly persuasive to a finding of no confusion. See Four Seasons, 987 F.2d at 1569. Similarly, the 1997 Consent Agreement permits the parties to use “USC” in any format within their respective regions. (Stip. Fact ¶¶ 59-60; A-Ex. 165, p. 3.) Like the 1981 Consent Agreement, the 1997

Consent Agreement similarly avers that neither party is aware of any actual confusion resulting from their respective uses of “USC”. (Stip. Fact ¶61; A-Ex. 165, p. 3.)

Most tellingly, in 1993, California entered into a consent agreement with Spelman College, under which California agreed not to oppose any of Spelman’s trademark applications to register the letters “SC” and would not impede Spelman from using “SC” on collegiate merchandise. (A-Ex. 168, pp. 4-5.) Again, California stated that no actual or likelihood of confusion existed, and that California would state its opinion to the U.S. Patent and Trademark Office that there is no confusing similarity between California’s “SC” and Spelman’s “SC”. (Id.) See, e.g., DuPont, 476 F.2d at 1362; Amalgamated Bank v. Amalgamated Trust & Sav. Bank, 842 F.2d 1270, 1275, 6 U.S.P.Q.2d 1305 (Fed. Cir. 1988) (“It is at least difficult to maintain a subjective view that confusion will occur when those directly concerned say it won’t.”).

The fact that California entered into two consent agreements concerning unrestricted forms of the letters “USC” with South Carolina and a consent agreement concerning the letters “SC” as used by Spelman College are undeniable admissions by California that there is no likelihood of confusion in the instant case. See In re NAD, Inc., 754 F.2d 996, 998-1000, 224 U.S.P.Q. 969 (Fed. Cir. 1995); Swedish Beer Exp., 469 F.2d at 1097-98; Knaack Mfg. Co. v. Rally Accessories, Inc., 955 F. Supp. 991, 1003, 42 U.S.P.Q.2d 1649 (N.D. Ill. 1997). Moreover, as discussed more fully herein, numerous other universities, colleges and educational institutions throughout the United States use the “SC” mark on their goods. Extensive third party use of the letters “SC” among universities and colleges demonstrates that California’s marks are not entitled to broad protection. California’s concurrent use with other collegiate uses of the letters “SC” further supports a finding of lack of confusion here. See In re Broadway Chicken, 38 U.S.P.Q.2d 1559, 1565-66 (T.T.A.B. 1996) (holding widespread third party use of marks with shared terms suggests that “purchasers have been conditioned to look to other elements of the marks as a means of distinguishing the source of goods or services in the field”).

The Board should accord the consent agreements, disavowing confusion, and its previous findings great weight towards a finding of no confusion. DuPont, 476 F.2d at 1363 (“When those most

familiar with use in the marketplace and most interested in precluding confusion enter agreements designed to avoid it, the scales of evidence are clearly tilted.”). The parties have been living under those consent agreements, without any evidence of confusion, for decades. (Stip. Fact ¶¶ 57-58; A-Exs. 165-168.) Analysis of the remaining DuPont factors shows that California cannot overcome this strong (and self-created) presumption of lack of confusion between the parties’ “SC” marks. Four Seasons, 987 F. Supp.2d at 1569.

2. The Nature of the Goods Are Different.

The crucial analysis for this factor is whether the goods with which the marks are used are related in some manner to be “the kind the public attributes to a single source.” E. Remy Martin & Co. v. Shaw-Ross Int’l Imps., Inc., 756 F.2d 1525, 1530, 225 U.S.P.Q. 1131 (11th Cir. 1985).

a. Since They Bear Secondary Indicators of Source, the Nature of the Parties’ Respective Clothing Items is Distinct.

It cannot be disputed that California’s customers are different than South Carolina’s. The parties’ customers are their respective fans, students, alumni and staff. (TD-Stimmler 34:17-25, 51:22-52:1; TD-Corbett 39:20-40:5; TD-Walsh 24:8-13; A-Exs. 387, 391, 405.) See also Smack Apparel, 438 F. Supp. 2d at 656. When these customers seek out California’s or South Carolina’s products they do so with an intimate knowledge of their university’s trademark(s) and the secondary goodwill that those marks represent.

California’s and South Carolina’s trademark rights are not based upon their goodwill or fame as a manufacturer of clothing or headwear. On the contrary, the “SC” used by California on its goods is merely ornamental and would not be registrable but for the letters “SC” serving as a secondary indicator of source. If a mark serves as a secondary indicator of source it means that the public has come to recognize that mark as applied to one product as connected with the mark’s owner by virtue of the mark owner’s other services or goods. See TMEP § 1203.03; In re Olin, 181 U.S.P.Q. 182, 182-83 (T.T.A.B. 1973) (“The ‘ornamentation’ of a T-shirt can be of a special nature which inherently tells the purchasing public the source of the T-shirt, not the source of manufacture but the secondary source.”).

In order to establish similarity, consumers must be likely to think that defendants' goods come from the same source as plaintiff's goods or are sponsored or approved by plaintiff. Michael Caruso & Co. v. Estefan Enters., 994 F. Supp. 1454, 1461 (S.D. Fla. 1998) (noting that it is unlikely that products which bear a secondary indicator of source are likely to be confused even at a post consumer stage); E. Remy Martin, 756 F.2d at 1530. Since both California's products and South Carolina's products bearing their respective marks serve as secondary indicators of source, the nature of the products are uniquely distinct.

b. California's Gift Items are Unrelated Goods.

As discussed above, the clothing items contained in the '137 Registration are unrelated because they bear the Athletic Interlock and are uniquely known to be products associated with a secondary source; namely, California's athletic department. With respect to the '953 Registration, the goods identified in International Class 25 are further limited to those sold from "university-controlled outlets." Recognizing that clothing covered by International Class 25 cannot support its case, California has also argued that its goods contained in International Classes 6, 18 and 24 are related enough that there is a likelihood of confusion. California is wrong because (a) these gift items are not related to clothing and (b) they are likewise limited in their channels of trade.<sup>11</sup>

The fact that California labels these "collegiate goods" does not automatically make the goods related. Elec. Data Sys. Corp. v. EDSA Micro Corp., 23 U.S.P.Q.2d 1460, 1463 (T.T.A.B. 1992) ("[T]he issue of whether or not two products are related does not revolve around the question of whether a term can be used that describes them both, or whether both can be classified under the same general category."). Here, there is a significant difference between clothing and the license plates, shot glasses, stadium blankets, pennants, back packs, key rings, beer mugs, etc. (collectively, "California Gift Items".) The goods contained in International Classes 6, 18 and 24 can be best described as gift items and are

---

<sup>11</sup> California would have this Board believe that "university-authorized" channels of trade includes a wide-variety of retail outlets nationwide. (Opp. Br. at 45.) Such a broad, self-serving view of the PTO's restriction would render the limitation in scope meaningless. The market reality, herein, is that the only evidence in the record shows that California's Gift Items are sold in California's bookstores and catalogues. (A-Exs. 392-401, 427-431.)

primarily sold by university bookstores. The only evidence in the record of retail outlets selling California Gift Items is the Trojan Bookstore (A-Exs. 427- 431) and its catalogs (A-Exs. 392-401). There is no other evidence in the record that any other retail stores sell a significant amount of such gift items. Therefore, California's Gift Items are not related to the clothing products contained in South Carolina's application. Sports Auth. Mich., Inc. v. PC Auth., Inc., 2002 T.T.A.B. LEXIS 65, at \*\*31-33, 63 U.S.P.Q.2d 1782 (T.T.A.B. 2002).

Moreover, the "SC" trademarks applied to these products are likewise ornamental in nature. Therefore, any goodwill and recognition associated with letters "SC" applied to gift items emanates from a secondary source; namely, California's educational and athletic services. As such, consumers would not view such California Gift Items branded with California's Athletic Interlock or Baseball Interlock as being related to clothing bearing the South Carolina Baseball Logo.

3. California's Rights in the Letters "SC" are Extremely Weak.

Extensive third party use of the letters "SC" by other universities on their goods demonstrates that California's rights in the letters "SC" are weak and not entitled to a broad scope of protection. See Gen. Mills, Inc. v. Kellogg Co., 824 F.2d 622, 626, 3 U.S.P.Q.2d 1442 (8th Cir. 1987) ("[E]vidence of third party usage of similar marks on similar goods is admissible and relevant to show that the mark is relatively weak and entitled to a narrower scope of protection."). As is the case here, a weak mark due to third-party use suggests that consumer confusion is unlikely because the public can distinguish minor differences in the marks, even if the goods are related. Bost Bakery, Inc. v. Roland Indus. Inc., 216 U.S.P.Q. 799, 801 (T.T.A.B. 1983); TMEP § 1207.01(d)(iii).

a. Third Party Use of the Letters "SC" on University Goods Is Rampant.

Here, there is no question of widespread use of the letters "SC" by other universities and colleges to identify their institutions on goods.<sup>12</sup> (See, supra, 27-29 (noting at least twenty-eight third-party uses

---

<sup>12</sup> Any argument by California that Carolina is required to investigate the extent of these institutions' proprietary information concerning extent of sales of goods with the "SC" mark is overreaching. It is well-established that evidence that a mark is being used by numerous third-parties in the same field is sufficient to show that the mark is weak. Carefirst of Md., Inc. v. First Care, P.C., 434 F.3d 263, 270, 77

of the letters “SC” by colleges and universities to identify their own institutions and teams); (A-Exs. 13, 72-87, 421 pp. 1-3; TD-Corbett 46:6-55:5; TD-Walsh 85:6-8.) Many of these universities’ uses of the letters “SC” are very similar to California’s Athletic Interlock. (See, e.g., A-Exs. 72-87.) For example, Santa Clara University in California – whose baseball team has played California -- uses a highly similar interlocking “SC” on its goods. (A-Exs. 13, 402; TD-Walsh 85:6-8.) The broad use of the letters “SC”, frequently in interlocking form, supports the fact that any rights California has in the letters “SC” are extremely weak.<sup>13</sup> See In re Broadway Chicken, Inc., 38 U.S.P.Q.2d 1559, 1565-66 (T.T.A.B. 1996).

b. The Letters “SC” Used as Initials are Descriptive and are Commonly Used by Third Parties, Including the State of South Carolina.

Further, since California’s use of the letters “SC” is an abbreviation or initialism of a descriptive name – “University of Southern California” – its use of the letters “SC” are also descriptive. Indeed, acronyms and initialisms are often used interchangeably with the full generic or descriptive name and are recognized as generic or descriptive themselves. Modern Optics, Inc. v. Univis Lens Co., 234 F.2d 504, 506, 110 U.S.P.Q. 293 (C.C.P.A. 1956) (holding that if the initials have become so generally understood as being substantially synonymous with the words they represent, they are not protectable); see also U.S. Conf. of Catholic Bishops v. Media Research Ctr., 432 F. Supp. 2d 616 (E.D.Va. 2006) (finding no likelihood of confusion where abbreviation mark, as an indicator of a descriptive name, was merely descriptive and weak). That the State of South Carolina, and numerous third-parties use the abbreviation “SC” extensively in connection with goods or services, further supports a finding that California’s rights in the letters “SC” are weak and that its marks are descriptive. (TD-West 5:8-6:8; Stip. Fact ¶¶ 102-107; A-Exs. 72-87; 91-105.) See, e.g., Carefirst of Md., Inc. v. First Care, P.C., 434 F.3d 263, 270, 77

---

U.S.P.Q.2d 1577 (4th Cir. 2006) (website printouts sufficient to show extensive third party use); In re Broadway Chicken, 38 U.S.P.Q.2d at 1565-66. Carolina’s evidence shows that numerous third-party universities and colleges identify themselves to the public as “SC”. (A-Ex. 13, 72-87.)

<sup>13</sup> California’s failure to show any instances of actual confusion from the widespread use of the “SC” letters in commerce further supports the fact that any rights California has in the letters “SC” are weak.

U.S.P.Q.2d 1577 (4th Cir. 2006) (holding extensive third party use, evidenced by website printouts, illustrated mark's lack of strength).

Accordingly, since third-party use of the letters "SC", both in and outside of the university field is rampant, and "SC" is an acronym for a descriptive term here, California's rights in the letters "SC" are very weak. This further favors a finding of no likelihood of confusion.

4. There Is No Overlap In Customers and Channels of Trade.

When analyzing the channels of trade, the Board is to compare the "normal and usual channels of trade and methods of distribution" of the goods contained in the application with those in the cited registrations. Squirtco v. Tomy Corp., 697 F.2d 1038, 1043, 216 U.S.P.Q. 937 (Fed. Cir. 1983). The Board is not restrained to blindly follow the identification of goods and should take into account the market realities related to the applicant and registrant. Sports Auth., 2002 LEXIS 65, at \*\*33-37 ("We find little likelihood for confusion attributable to channels of trade employed by the parties, notwithstanding that there are no restrictions on the involved identifications."). In this case, the '953 Registration has restricted its channels of trade to "university-controlled outlets." (Stip. Facts ¶¶ 66-70; A-Ex. 169.) The record is clear that California only controls a handful of university bookstores. (TD-Stimmler 26:15-18) As California acknowledges, no South Carolina products have ever been sold by a retail outlet controlled by California. (Stip. Facts ¶¶ 78-79; A-Exs. 438-439.) Since, California admits that it does not sell Carolina's goods or any other university's goods, the Board is not constrained to find overlapping channels based upon there being no restriction in South Carolina's application.

In light of the express limitation imposed upon clothing items, California argues that the California Gift Items contained in the '953 Registration are restricted only to channels through which it seeks to sell clothing. (Opp. Br. at 42.) This is not correct. California Gift Items have a restriction in their channels of trade to "university authorized channels of trade." (A-Ex. 169; Stip. Fact ¶¶ 68-70.) Since the Board cannot determine what channels of trade have been authorized by California, it is permissible to look to extrinsic evidence. In re Trackmobile, Inc., 15 U.S.P.Q.2d 1152 (T.T.A.B. 1990). A review of the record establishes that the Trojan Bookstore is the only retail outlet widely selling

California's Gift Items. (A-Exs. 392-401, 427-431) There is no evidence in the record of another retailer offering such a wide variety of gift items.

Regardless of the express limitations, there is no overlap of consumers. If the actual or potential customers do not overlap, it is less likely that confusion will result. 4 McCarthy on Trademarks and Unfair Competition § 24:44 (4<sup>th</sup> ed. 2006); Heartsprings, Inc. v. Heartspring, Inc., 46 U.S.P.Q.2d 1481, 1486 (10th Cir. 1998) ("Beyond . . . the fact the parties conduct business within the very broad category of products for children, there is little overlap between the parties' products, services or marketing strategies."). Moreover, and more importantly, even in cases of identical marks used in the same industry, there must be a reasonable basis for finding that the marks would be encountered by the same persons. Borg-Warner Chem. Inc. v. Helena Chem. Co., 225 U.S.P.Q. 222, 224 (T.T.A.B. 1983); In re Fesco Foods, Inc., 219 U.S.P.Q. 437, 438 (T.T.A.B. 1983). The consumers of California's products are their fans, students, alumni and staff. (TD-Stimmmler 51:22-52:1; TD-Walsh 24:8-13; A-Ex. 405.) The same applies to consumers of South Carolina Baseball Logo products, which are, in fact, most commonly bought by fans of the South Carolina baseball team. (TD-Corbett 39:20-40:12.) The only witness who had knowledge of collegiate retail marketing on a general basis testified that there is no overlap between products bearing South Carolina's Baseball Logo and California's Baseball Interlock or Athletic Interlock. (TD-Walsh 32:7-18.)

5. The Conditions Surrounding Sales of Collegiate Branded Products Limits Any Likelihood of Confusion.

"Evidence of widespread third-party use, in a particular field, of marks containing a certain shared term is competent to suggest that purchasers have been conditioned to look to the other elements of the marks as a means of distinguishing the source of goods or services in the field." In re Broadway Chicken, 38 U.S.P.Q.2d at 1565-66.

- a. Consumers Have a Heightened Awareness of Other Elements and are Aware that Universities Commonly Use Initials and that There are Many Duplicates.

It is commonplace for multiple universities to use the same initials or combination of letters. (See, supra at 18-20.) In fact, there multiple examples of this on the Principal Register, including twelve (12) registrations to different universities of the letter “W”, six (6) registrations of the letter “S” and seven (7) registrations of the letter “M”. (A-Ex. 217-357.) Despite this concurrent use, there is no wide-spread confusion in the collegiate product marketplace.

Specifically, for the letters “SC”, South Carolina established that numerous other universities and colleges use the letters “SC”, including among others, Santa Clara University in California, Smith College and Spelman College. (See, supra at 27-29.) Many of these institutions even use similar styles and/or colors for the letters “SC” as California’s Athletic Interlock or Baseball Interlock. (Id.) For example, the Sacramento City College Panthers and Springfield College (Benedictine University) use “SC” marks that are virtually counterfeits of California’s Athletic and Baseball Interlock marks. (A-Exs. 80-81.)

South Carolina established that consumers in the collegiate products field look to other elements of a mark (i.e. differences in fonts, designs, colors, mascots, etc.) to distinguish the source of the goods. (TD-Walsh 25:15-27:16.) These consumers use this high degree of familiarity and affinity to differentiate one university’s products from another’s. (TD-Walsh 19:15-18.) In fact, California’s own Graphic Identity Program echoes this principal. (A-Ex. 403, p. 1.)

i. South Carolina’s Different Color Combinations is an Important Differentiating Factor.

University colors used for decades are extremely strong marks in the context of their fans and other interested parties. Smack Apparel, 438 F. Supp. 2d at 659. Consumers of collegiate products analyze and compare the color combination of the products and the marks which those products bear. (TD-Walsh 18:5-15.) They can even differentiate slight variations in shades of colors. (TD-Walsh 18:16-20.) California’s Graphic Identity Program requires strict adherence to cardinal and gold because of the importance of color combinations in California marketing. (A-Ex. 403, p. 2.) The differences between

South Carolina's garnet and black color combination and California's cardinal and gold are sufficient to avoid confusion.

ii. South Carolina's Unique Stylization is Another Important Differentiating Factor to Consumers.

The USC Manual highlights the fact that font stylization "plays an important role in establishing an identity for the university. The typefaces and other visual elements you use have the ability to build the brand equity in the institution when used correctly and consistently." (A-Ex. 404, p. 43.) Consumers engage in a heightened analysis of such marks on these products and can notice minor differences in the stylizations of such letters. This truism was demonstrated by plaintiff's investigator, Ken Taylor, who was able to easily determine the source of hundreds of products bearing dozens of different stylized university initials or marks during his investigation. (TD-Taylor 60:17- 83:20; A-Exs. 23-48.) Similarly, Mr. Walsh testified that he was able to distinguish the marks of different universities utilizing the same initials because of familiarization with different letter stylization used by universities and differences in color combinations. (TD-Walsh 41:5-11; 41:18-21; 42:22-25; 43:18-19; 44:4-5; 44:12-13; 45:2-3; 45:7-8; 45:19-22; 46:5-6.) A comparison of the South Carolina Baseball Logo with California's Athletic Interlock or Baseball Interlock establishes differences that are readily distinguishable and unique. (See, supra at 25-26)

b. Neither Parties Goods Are Impulse Purchases.

California produced no direct evidence that either its goods or South Carolina's goods were impulse purchases. The evidence produced by both sides establishes that the clothing goods in question retail, on average from between \$15 for hats and over \$80 for some sweatshirts. (A-Ex. 431, p. 2; TD-Kennedy 33:3-9; A-Ex. 63.) These are hardly impulse purchases, especially when viewed in conjunction with the high degree of care the parties' fans use in purchasing the clothing goods. See, e.g., A&H Sportswear, Inc. v. Victoria's Secret Stores, Inc., 237 F.3d 198, 225, 57 U.S.P.Q.2d 1097 (3d Cir. 2000) (finding swimwear purchasers to be sophisticated); Nike, Inc. v. Just Did It Enter., 6 F.3d 1225, 1230 (7th Cir. 1993) ("We cannot agree as a matter of law consumers routinely purchase a \$39.95 item without

looking carefully at the product information.”); Brockmeyer v. Hearst Corp., 248 F. Supp. 2d 281, 291, 299 (S.D.N.Y. 2003) (finding purchasers of \$12.95 magazine to be sophisticated).

6. The Purchasers of Opposer’s and Applicant’s Products Exercise a High Degree of Care and are Highly Sophisticated.

Purchasers of Carolina’s and California’s goods exercise a high degree of care when making their purchases, and are highly sophisticated and familiar with their respective universities’ products and marks. (See, supra at 18-23; TD-Walsh 19:4-18, 25:15-27:16.) The overwhelming majority of purchasers of the products at issue here are South Carolina or California alumni, students or fans – individuals who are fully familiar with the different Universities, and their logos, and are loyal to that particular institution. (TD-Stimmmler 51:22-52:1; TD-Corbett 39:20-40:5; TD-Walsh 24:8-13.) The purchasers’ special allegiance and brand loyalty to their respective school heightens the standard applied since the average fan will take much more care in choosing his/her school’s apparel based upon their desire to exclusively support their chosen institution. See e.g., Elec. Design & Sales, Inc. v. Elec. Data Sys. Corp., 954 F.2d 713, 717, 21 U.S.P.Q.2d 1388 (Fed. Cir. 1992) (holding that a high degree of care among purchasers obviates likelihood of confusion); Dynamics Research Corp. v. Langenau Mfg. Co., 704 F.2d 1575, 1576, 217 U.S.P.Q. 649 (Fed. Cir. 1983) (affirming finding of no confusion where identical marks on goods were sold to “different discriminating customers”); Societe Anonyme de La Grande Distillerie v. Julius Wile & Sons, 161 F. Supp. 545, 547-48, 117 U.S.P.Q. 257 (S.D.N.Y. 1958) (holding selection and purchase of liqueurs involves exercise of “personal taste” and that purchasers are “apt to buy with a greater sophistication and care”). Additionally, the demographics of the fans, students, or alumni that purchase goods bearing the “SC” letters from the parties show that they are educated, sophisticated, and have high incomes. (See, supra, at 23; A-Exs. 163, 387, 389, 391.)

Further, the express limitations on the channels of trade in California’s “SC” word mark registration also shape the identity of the average purchaser of its goods. Specifically, assuming that all of California’s goods in International Class 25 pass through “university controlled outlets” -- as mandated in its registration (see A-Ex. 169; Stip. Fact ¶¶ 69-71) -- the class of purchasers is much narrower and the

standard of care exercised by each is higher. As the prior order in this case points out, the “restrictions [contained in California’s registration] tend to suggest that prospective purchasers of [California]’s SC-branded goods will likely know they are goods of the University of Southern California or ‘Southern Cal.’” (See Jul. 31 Order at 24.) Purchasers who actively seek out university-controlled outlets (such as university bookstores and websites) are more discerning and will likely include both devout California fans along with retailers of university apparel. See CBS v. Morrow, 708 F.2d 1579, 1581, 218 U.S.P.Q. 198 (Fed. Circ. 1983) (noting importance of registration’s limitation in channels of trade, including in determining buyer sophistication).

Finally, California asserts that the average sports fan is not intelligent enough to differentiate goods bearing the marks at issue, however sports fans “are generally sophisticated and knowledgeable of their sport; they read about their favorite teams in the sports pages or listen to sports reporting and commentary on television and radio.” Harlem Wizards v. NBA Props., 952 F. Supp. 1084, 1098 (D.N.J. 1997). Based upon this level of sophistication and interest, purchasers will not be confused when they see these marks on goods in the marketplace.<sup>14</sup>

California has failed to show that an appreciable number of reasonably prudent buyers would be confused as to the source of goods bearing the “SC” marks. See 3 McCarthy, supra, § 23.26. Common sense dictates that the most significant basis for purchases of goods bearing the marks at issue, created or licensed by these schools, is predicated on a special allegiance or brand loyalty to the Universities themselves. Accordingly, this factor weighs heavily in favor of a finding of no likelihood of confusion.

7. There is a Significant Difference in the Appearance, Connotation and Commercial Impression of the Applicant’s Mark and the Opposer’s “SC” Word Mark, “SC” Athletic Mark and “SC” Baseball Mark.

---

<sup>14</sup> Despite California’s fear of a rash of suddenly confused sports fans who may mistakenly purchase South Carolina’s products, it has yet to point to a single episode of confusion between South Carolina and California’s goods during over a century of coexistence of the two schools. Further, there are literally dozens of other colleges and universities which share similar, if not nearly identical, stylized versions of federally registered marks. (See, infra at 27-29.) Yet, there has been no outcry or documented confusion among these schools or their sports fans.

A determination of similarity or dissimilarity requires an examination of the marks in their entirety and consideration of all relevant factors pertaining to the marks' appearance, sound, and connotation. Packard Press, Inc. v. Hewlett-Packard Co., 227 F.3d 1352, 1357, 56 U.S.P.Q.2d 1351 (Fed. Cir. 2000); DuPont, 476 F.2d at 1361. California argues that South Carolina's "SC" Baseball Mark and its "SC" word mark are confusingly similar. As discussed above, however, comparison of the parties' marks reveals distinct stylistic and differences in appearance and color that contribute to a finding of no likelihood of confusion. See Jockey Int'l, Inc. v. Mallory & Church Corp., 25 U.S.P.Q.2d 1233, 1235-36 (T.T.A.B. 1992) (in deciding similarity with word mark, examiner need not consider mark in "all possible forms, no matter how extensively stylized"). The commercial impression of the parties' "SC" marks are also different, especially in view of distinct differences in the stylization of the marks and other elements on the products such as color combinations, designs, mascots and other elements unique to the parties.

Finally, to the extent that California claims that South Carolina's "SC" Baseball mark is confusingly similar to the nebulous "SC" common law use it claims to have, that contention is misplaced.<sup>15</sup> As noted, in comparing any common law rights that the parties have, South Carolina's common law rights in the letters "SC" far outdate any use by California. (See, supra at 3-7, 10-11.) California's slight of hand – namely, its attempt to bar all uses of the "SC" term by universities through an inferior common law claim – should be rejected by the Board.

#### 8. Fame of the Prior Mark

Not surprisingly, California believes that its use of the "SC" mark is famous.<sup>16</sup> South Carolina wholeheartedly disagrees with that contention. First, California failed to provide strong evidence of fame in its use of the "SC" marks. In assessing the fame of a mark, the relevant inquiry is the extent to which

---

<sup>15</sup> It is unclear as to whether California is attempting to argue that it has some sort of common law "SC" word mark that should be treated as a standard character registration. California has cited no support for such a proposition and it is antithetical to the factors set forth in DuPont requiring a comparison of the marks' appearance.

<sup>16</sup> Carolina disputes that California's marks have priority. To the extent that California is arguing that its so-called "common law" "SC" mark is a prior mark, Carolina submits it has priority in the use of the letters "SC" and that Carolina's "SC" - used for over 100 years - has a high degree of fame. Indeed, South Carolina's use of "SC" mark is much more famous than California's use of the letters "SC".

customers and potential customers of a product are aware of the prior mark – here the “SC” marks. See Palm Bay Imps., Inc. v. Veuve Cliquot, 396 F.3d 1369, 1375, 73 U.S.P.Q.2d 689 (Fed. Cir. 2005).

California has not provided any direct survey evidence regarding fame of any “SC” mark, nor has it provided indirect evidence of fame relating to its use of the “SC” mark, including any levels of sales or advertising revenue under any “SC” mark. See Bose Corp. v. QSC Audio Prods., 293 F.3d 1367, 1371-72, 63 U.S.P.Q.2d 1303 (Fed. Cir. 2002) (noting sales volume and advertising levels are important indicia of fame). While California contends that its athletic teams are successful and highly televised, it fails to provide any evidence as to whether those teams displayed the “SC” marks (as opposed to the more common, “USC” or “Trojan” indicators). In fact, most of California’s athletic teams, including its football team do not wear the letters “SC”. (A-Ex. 404 p. 33, 36) Further, a closer examination of the articles that purportedly show that California is oft-referenced as “SC” reveal that California is much more commonly referred to as “USC” or “Trojans”. (See O-Exs. 163-222; see also supra at 11-12.) California has failed to meet its burden of proof with regard to any fame it is claiming in the “SC” marks.

Second, to the extent that California asserts its institution is famous, as an indicator of source, South Carolina is equally, if not more famous. Both California and Carolina are already well-known institutions (A-Ex. 440, p. 1; A-Ex. 420, p. 2.), and certainly neither party is seeking to trade on the reputation of the other. South Carolina, founded in 1801, has an enrollment of nearly 40,000 students ( Stip. Facts 82), has over 216,000 living alumni worldwide (Stip. Facts ¶ 83) (Compare with California’s 32,000 enrollment, and founding in 1880 ( Stip. Facts ¶ 91).) Therefore, at a minimum, it would appear that the relative fame of the schools themselves as sources of the products can be hotly debated.

9. There is No Actual Confusion: The Parties Have Used “SC” Concurrently for Decades Without Any Instances of Confusion.

South Carolina and California have concurrently used the letters “SC” as trademarks for decades. It cannot be disputed that Carolina has been using its stylized mark extensively since at least 1997, when it first applied for the registration at issue. (A-Exs. 50-55, 72-205, 206-09.) Despite all of these years of

concurrent use, and California's insistence that confusion of the marks is likely, there has not been any evidence of even one instance of actual confusion placed before the Board. The use of allegedly similar marks for a substantial period with no consumer confusion may create a presumption of little likelihood of confusion. See Barre-Nat'l Inc. v. Barr Labs, Inc., 773 F. Supp. 735, 744, 21 U.S.P.Q.2d 1755 (D.N.J. 1999) (absence of actual confusion during 17 years of concurrent use weighed "heavily" in favor of no confusion). The substantial length of time of concurrent use without confusion strongly weighs in South Carolina's favor as it demonstrates that there is simply no likelihood of confusion between the marks in this case.

To the extent that California claims that sporadic examples of actual confusion exist among internet retail operations, South Carolina disputes that such "evidence" tips this factor in its favor. As noted, the small number of supposed instances of confusion cited by California are illegitimate, do not show confusion by the end-user, and were the result of a computer glitch on a website. (See, supra, at 26.) See also Nautilus Group, Inc. v. Icon Health & Fitness, Inc., 372 F.3d 1330, 1338, 71 U.S.P.Q.2d 1173 (Fed. Cir. 2004) (finding small number of confusion examples unreliable to establish actual confusion, and holding district court improperly credited this "scant" evidence in likelihood of confusion analysis); Entrepreneur Media, Inc. v. Smith, 279 F.3d 1135, 1150, 61 U.S.P.Q.2d 1705 (9th Cir. 2002) ("[D]e minimis evidence of actual confusion [is] unpersuasive as to the ultimate issue of likelihood of confusion."); Elec. Design & Sales, 954 F.2d at 717 (holding that the likelihood of confusion must be shown to exist in consumer, rather than purchasing institution). Indeed, California's licensing director was unaware of any confusion or complaints among purchasers stemming from these examples. (TD-Kennedy 77:12-16; 79:15-18; 80:15-20; TD-Corbett 40:16-42:15.) California's witness testified that he did not think the Athletic Interlock and the South Carolina Baseball Logo were similar or confusingly similar, and South Carolina's licensing director echoed that sentiment, as did others. (TD-Stimmer 32:8-22; TD-Corbett 91:17-21; TD-Walsh 31:2-5.) California did not submit a survey evidence that confusion exists between the parties. Further, California has averred that no actual confusion has existed with

regard to use of the letters “SC” in a consent agreement with Spelman, and with regard to use of the letters “USC” in a consent agreement with South Carolina.

As there is no evidence of actual confusion here, and California stipulated that no actual confusion existed with concurrent use of the letters “SC” with another university, this favor decidedly tips in favor of a finding of no confusion. See Fuse, LLC v. Fuse Adver., Inc., 2006 U.S. Dist. LEXIS 25079, at \*16 (E.D. Mo. Feb. 15, 2006) (holding minimal evidence of actual confusion insufficient where parties used same mark concurrently for 7 years without any confusion).

C. South Carolina Used the South Carolina Baseball Logo on Goods in 1997.

California briefly claims that the Board should punish South Carolina because it cannot show it used the South Carolina Baseball Logo on all goods in the application almost ten years ago, in 1997, the date of its use-based application. California’s accusation is inaccurate and should be disregarded. As discussed herein South Carolina destroyed such records and CLC cannot research licensee documents based upon the mark licensed. South Carolina has submitted the artwork approval form for the very first hat bearing the South Carolina Baseball Logo.<sup>17</sup> (A-Exs. 53, 172-209.) The baseball hat was approved on January 31, 1997. (Stip. Fact ¶ 50; A-Exs. 50-53; TD-Corbett 10:4-14:16.) California stipulated that an artwork approval form was sufficient evidence of use of a mark in connection with the products. (Stip. Fact. ¶ 42.) Moreover, South Carolina’s Licensing Director, Ken Corbett, testified that to his knowledge the South Carolina Baseball Logo has been used since 1997 in connection with hats, t-shirts, uniforms and other products. (TD-Corbett 18:6-20.) As such, there has been no inequitable conduct.

D. Balance of Factors Favors a Finding of No Confusion.

Here, California’s entry into consent agreements allowing use of “SC” and “USC” by other universities, and its stipulation in those agreements that confusion is absent, is strong evidence of the lack of confusion here between the parties’ use of the “SC” marks. See Four Seasons, 987 F.2d at 1569 (consent agreement is strong evidence that confusion is unlikely). Additionally, the other factors

---

<sup>17</sup> South Carolina does not keep licensing records going back more than a few years. CLC who administers South Carolina licenses does not keep records based upon the mark licensed, and thus did not have any way to research licensees of the South Carolina Baseball Logo.

similarly favor a finding of no confusion here – there is no evidence of actual or potential confusion among purchasers, there is widespread third-party use of the “SC” mark among universities, the marks have different appearances, and the channels of trade are different due to express limitations in California’s trademark registrations. In sum, California has failed to meet its heavy burden of proving that a likelihood of confusion exists. See Champagne Louis Roderer, S.A. v. Delicato Vineyards, 148 F.3d 1373, 1379, 47 U.S.P.Q.2d 1459 (Fed. Cir. 1998). Accordingly, the Board should permit South Carolina’s “SC” Baseball Interlock mark to register.

#### IV. SOUTH CAROLINA’S INITIAL BRIEF IN SUPPORT OF ITS CANCELLATION PROCEEDING.

##### A. The Board Should Cancel California’s Athletic Interlock Mark.

To the extent that the Board finds a likelihood of confusion between South Carolina’s mark and California’s Athletic Interlock mark, the Board should cancel California’s ‘137 Registration, since South Carolina’s common law use of the letters “SC” pre-dates California’s 1994 first use, as averred to in the ‘137 Registration.<sup>18</sup> See 15 U.S.C. § 1064; Metro Traffic Control v. Shadow Network, 104 F.3d 336, 339, 41 U.S.P.Q.2d 1369 (Fed. Cir. 1997).

##### 1. South Carolina Has Priority Over Use of an Interlocking Block “SC”.

California’s Athletic Interlock Registration should be cancelled because South Carolina has priority in an interlocking block “SC” mark. As discussed above, it is clear that South Carolina has priority in any “SC” mark resembling California’s Athletic Interlock mark. In 1991, South Carolina adopted and continuously used an interlocking “SC” mark nearly identical to California’s Athletic Interlock mark. (A-Exs. 145, p. 3; 160, p. 121; 146, p. 2; 147, p. 2; 157, pp. 41, 43; 206; O-Ex. 12, p. 1.) Hats and other clothing were sold bearing this mark. California, however, has only used the Athletic Interlock mark in commerce since 1994. (See Opp. Tr. Br. at 1; A-Ex. 210.)

##### 2. South Carolina Has Priority Over Any use of the Letters “SC”

---

<sup>18</sup> Since California’s ‘953 Registration is so limited in its channels of trade, it is possible for the Board to find that South Carolina has common law priority and, accordingly, that the ‘137 Registration must be cancelled, but that South Carolina’s application for the South Carolina Baseball Logo can co-exist with the ‘953 Registration.

Further, South Carolina's first use of the "SC" mark on a hat dates back to the late 1880s, when it distributed a Freshman Rat Hat that all freshman were required to wear. (A-Ex. 90, p. 8; A-Ex. 214; TD-West 7:17-8:7, 26:2-27:3.) The term "SC" in an interlocking form has been used consistently on other South Carolina athletic clothing since at least 1898 – nearly 100 years earlier than California's first alleged use of its Athletic Interlock. For example, as early as 1898, the South Carolina football team wore uniforms containing an interlocking "SC". (A-Exs. 16, 17; TD-West 12:20-13:4, 13:20-14:10, 47:6-50:9.)

Moreover, as an agency of the State of South Carolina, Applicant has established use of the letters "SC" as far back as the American Revolutionary War. See, e.g., Gaylord Bros., Inc. v. Stroebe Prods. Co., 140 U.S.P.Q. 72 (T.T.A.B. 1963) (opposition proceeding defeated since predecessor entity related to applicant used mark prior to opposer). The University of South Carolina is an alter ego of the State of South Carolina. See Thompson v. Univ. of S.C., 2006 U.S. Dist. LEXIS 67650 (D.S.C. 2006); Clemson Univ. v. W.R. Grace & Co., No. 2:86-2055-2, 1991 WL 112319, at \*\*11-13 (D.S.C. 1991) (holding that Clemson University and the College of Charleston are alter-egos of the State of South Carolina). As an "alter ego" of the State of South Carolina, the Applicant, the University of South Carolina, may assert priority based upon the state's use of the letters "SC".<sup>19</sup>

Accordingly, in the unlikely event that the Board finds that confusion exists here by virtue of California's Athletic Interlock, the Board should cancel California's Athletic Interlock mark and allow South Carolina's Baseball Logo to register since South Carolina has superior common law trademark rights to the letters "SC".

---

<sup>19</sup> Opposer's assertion that the July 31<sup>st</sup> Order stands for the proposition that South Carolina cannot rely upon uses of the letters "SC" by the State of South Carolina is overreaching. To begin, the comment made by the Board is limited to its context which was a claim under Section 2(a) and not 2(d). Furthermore, the case cited by the Board, specifically acknowledges that under 2(d) a party, such as a subsidiary (or in this case a state agency), has standing to maintain a cancellation or opposition proceeding. See Jewelers Vigilance Comm., Inc. v. Ullenberg Corp., 823 F.2d 490, 493, 2 U.S.P.Q.2d 2021 (Fed. Cir. 1987) ("Similarly, one of our predecessor courts recognized that a parent corporation has standing to oppose on the basis of a mark owned and controlled by its subsidiary.").

NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.

By: s/John C. McElwaine/

John C. McElwaine  
Federal Bar No. 6710  
Matthew D. Patterson  
Federal Bar No. 7788  
Liberty Building, Suite 500  
151 Meeting Street  
Post Office Box 1806 (29402)  
Charleston, SC 29401  
(843) 853-5200

Attorneys for Applicant University of South Carolina

Charleston, South Carolina  
October 9, 2006

## CERTIFICATE OF SERVICE

The undersigned of the law offices of Nelson Mullins Riley & Scarborough, L.L.P., attorneys for Applicant do hereby certify that I have served all counsel in this action with a copy of the pleading(s) hereinbelow specified by e-mailing a copy of same and by mailing a copy of the same by United States Postal Service First Class Mail, with proper postage thereon, to the following address(es):

Pleadings:                   APPLICANT'S INITIAL TRIAL BRIEF AS DEFENDANT IN THE  
                                  OPPOSITION AND OPENING BRIEF AS PLAINTIFF IN COUNTERCLAIM  
                                  FOR CANCELLATION

Counsel Served:

                                  Scott A. Edelman  
                                  Michael S. Adler  
                                  Gibson, Dunn & Crutcher, LLP  
                                  2029 Century Park East  
                                  Los Angeles, CA 90067-3026

s/JohnC. McElwaine/  
                                  John C. McElwaine

October 9, 2006